



# Waukee Community School District Waukee, Iowa

Comprehensive Annual Financial Report

Year Ended June 30, 2011



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**WAUKEE COMMUNITY SCHOOL DISTRICT**

**Waukee, Iowa**

**Fiscal Year Ended June 30, 2011**

**OFFICIAL ISSUING REPORT**

**Lora Appenzeller-Miller, Chief Financial Officer**

**OFFICE ISSUING REPORT**

**Business Office**



**Waukee Community School District**  
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November 10, 2011

We are a District with a dedication to all students and an unwavering commitment to a quality educational program. That commitment, along with a strong sense of community defines the work of the Board of Education for the Waukee Community School District. In a time of ongoing funding restrictions and changing financial models, achieving these goals is a significant challenge.

Our shared vision statement is “Dedicated to optimizing individual learning and potential for success in a global community.” Honoring our vision keeps us focused on moving forward, closing any gap that may exist between our current reality and our vision. The District’s Guiding Principles, Vision and Mission Statement guide the allocation of resources to achieve our goals.

Iowa continues to fall short of fully funding the education formula for K-12 schools. In Waukee, we will continue to allocate available resources to fulfill our mission and our commitment to students.

This report is a comprehensive financial record of the District for the fiscal year ended June 30, 2011. It reflects the conditions that have enabled the Waukee Community School District to maintain a favorable financial picture – even during a period of challenging growth. Among the enabling conditions are:

- We have a highly dedicated and skilled team of teachers, staff, and administrators.
- We have a highly effective Board of Education and a very supportive community.
- We work in an atmosphere where everyone is encouraged to work at their highest level in a collaborative environment.

As you examine this report, you will see a pattern of on-going financial strength that we hope to continue into the future. We welcome your questions and suggestions. We will continue to learn together to build on our success as a learning community for the future.

Respectfully Submitted,



David J. Wilkerson, Ph.D.  
Superintendent

November 10, 2011

Members of the Board of Education  
Waukee Community School District  
Patrons of the Waukee Community School District  
Waukee, Iowa

The Comprehensive Annual Financial Report (CAFR) for the Waukee Community School District for the fiscal year ended June 30, 2011 is submitted herewith. Responsibility for accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District Office of Administrative Services. We believe the data is accurately presented, in all material respects; that the data is presented to fairly set forth the financial position of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information and the respective changes in financial position and cash flows where applicable; and that all necessary disclosures have been included in order to enable the reader to gain the maximum understanding of the District's financial affairs.

The Comprehensive Financial Annual Report is presented in three sections: introductory, financial and statistical. The introductory section, which is unaudited, includes this transmittal letter, a list of principal District officials, and an organizational chart. The financial section includes the management's discussion and analysis, audited basic financial statements, required supplementary information and the combining and individual fund financial statements and schedules, as well as the independent auditor's report. The statistical section, which is un-audited, includes selected financial and demographic information, generally presented on a multi-year basis. We encourage readers to refer to all three sections of the report, including the Management's Discussion and Analysis in the financial section, which gives a more detailed summary of the District's financial performance.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U. S. Office of Management and Budget Circular A-133, *Audits of State and Local Governments*.

The report includes all funds and account groups of the Waukee Community School District. The Waukee Community School District has no component units that meet the Governmental Accounting Standards Board criteria. The District provides a full range of services including instructional, administrative, transportation, food service, maintenance of sites and facilities, custodial, clerical, extra and co-curricular and athletic and activities.

This CAFR has been prepared using the guidelines recommended by the Association of School Business Officials International (ASBO). Certificates of Excellence are awarded to school systems that have presented their CAFR to the ASBO Panel of Review for critical review and evaluation. Receiving the award is recognition that a school system has met the highest standards of excellence in school financial reporting. The standards used in the "Certificate of Excellence Program" are based on generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). We will actively pursue this award through the efforts of the entire Waukee Team. The Waukee Community School District received this certificate for its comprehensive annual financial report for the fiscal years ending June 30, 2004, 2005 and 2006, 2007, 2008 and 2010.

## BASIS OF ACCOUNTING

The District's accounting records were maintained on a modified accrual basis. These accounting policies are enumerated in the notes to the financial statements. All the District's funds are presented in this report and have been audited by the District's independent certified public accountants, Van Maanen, Sietstra & Meyer, P.C.

The chart of accounts used by the District is in conformance with the Uniform Accounting System for Iowa Schools and Area Education Agencies issued November 1975 and updated in 2006, by the Iowa Department of Education. The chart of accounts manual is updated on an annual basis. The District is in full compliance with these requirements.

## ECONOMIC CONDITION AND OUTLOOK

The District is located in the central part of the state, within the larger Des Moines metropolitan area and ranks as one of the top growth areas of the country. The economic condition and outlook is stable. The Waukee Community School District has been and is currently the fastest growing school district in the state of Iowa and the growth projections are expected to continue. Enrollment for fiscal 2010-11 was 6680 students. Taxable assessed value continues to grow even during the current economic downturn. The economy in the state has struggled the past year and this recessionary period has resulted in reduced revenue for public education. While the unemployment rate in the greater Des Moines has consistently remained lower than national averages, the economy has been stagnating. Retail sales in the greater Des Moines have leveled but remain strong. The City of West Des Moines continues to grow as does the City of Waukee. District taxable assessed valuations have continued steady growth to reach \$2.2 billion for January 2008 values.

Based on conservative projections, this trend is expected to continue. While having a positive impact, the growth also presents significant challenges for the District. The District utilizes the optional instructional support levy at a level deemed appropriate and will need to continue a high level of efficient use of human resources and facilities.

Retail sales, building permits and population increases in the western suburbs far exceed that of any other location in the metropolitan area or in the State of Iowa. An article in the September 27, 2007 edition of the Des Moines Register quoted a report from the Bureau of Economic Analysis showing the Des Moines Metropolitan area ranking 24<sup>th</sup> in the United States in terms of gross domestic product. The report also showed the area as the fastest growing municipal economy in the country increasing 7.2% since 2004. Retail, commercial and residential property values continue to grow. Assessed values of the District are conservatively projected to increase by 5-10% or more in the near term. In the fall of 2004, a new 250-acre retail shopping mall opened within the boundaries of the District and is expected to generate eighty million dollars in revenue annually. Wells Fargo opened its national mortgage headquarters in West Des Moines and currently employs in excess of 1,000. Aviva has located its North American headquarters within the boundaries of our school district with employment projections rivaling Wells Fargo. Areas surrounding the Jordan Creek Town Center continue to grow and add new retail and commercial property. The schools of Dallas County passed a one-cent sales tax on all covered retail sales in the county. All the schools in Dallas County on a per pupil basis will share the revenue from this sales tax. The Waukee Community School District is the largest district in Dallas County with over one-half of the county's students. That percentage of total students in the county will continue to increase on an annual basis with the District receiving a larger percentage of the total sales tax annually.

## MAJOR INITIATIVES

**Current year.** Last year, the District implemented a six-year plan for facilities and continues to utilize a three-year plan for finances. The District's rapid growth, limited resources and the need to clearly outline and prioritize site and facility needs in chronological order necessitate the plans. Currently a \$15 million addition to the High School is in progress and will be completed for Fall 2012. That will bring the capacity of that building to 2000 for the 10-12 grades.

**Future Considerations.** The six-year facility plan and accompanying demographic information concluded that student enrollment and tax base would continue to increase at a rapid pace. This study showed the need for additional space at the current high school by the fall of 2012. A seventh elementary building will be needed by the fall of 2013 and an 8-9<sup>th</sup> grade building by 2014 or 2015. The District is involved with local developers concerning land purchases for future school sites on an ongoing basis. A \$4.5 million, 400 seat Theater Arts Center was completed in November of 2010. Revenues from a \$70 million referendum passed in March of 2008 funded the high school addition and the Theater Arts Center. The District will borrow against future proceeds of the state wide sales tax will be needed for the elementary school.

## DEBT ADMINISTRATION

The ratio of net indebtedness to assessed valuation and the amount of indebtedness per capita are useful indicators of the District's debt position. The 2011 fiscal year data shows a total outstanding indebtedness on June 30 of \$122,125,000 with a ratio of debt to 100% taxable, actual, assessed valuation of 3.19%. During FY 2010, \$26,685,000 of outstanding debt was paid and an additional \$18,310,000 of new debt issued. In the near future, as assessed valuation and District population rise and total indebtedness decrease, these economic indicators will reflect a very favorable financial position.

The above indebtedness of \$122,125,000 is a result of general obligation bonds issued July 1997, July 1998, June 1999, April 2000, March 2001, April 2002, November 2002, May 2003, June 2004, February 2005, March 2005, March 2008 and April 2009. Capital loan notes were issued in February of 2006 and Sales Tax Revenue Bonds were issued in April of 2007. Two separate refunding issues were completed to reduce outstanding debt during the fiscal year.

## RISK MANAGEMENT

Waukee Community School District is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, error and omissions, injuries to employees and natural disasters. The District assumes liability for any deductibles and claims in excess of coverage limitations. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

## FINANCIAL INFORMATION

Management of the District is responsible for establishing and maintaining an internal control designed to ensure that its capital assets are protected from loss, theft or misuse and to ensure that accounting data are compiled to allow for the preparation of the basic financial statements in accordance with accounting principles generally accepted in the United State of America. The internal control is designed to provide reasonable, but not absolute, assurances that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management.

Single Audit. As a recipient of federal, state and county financial assistance, the District also is responsible for ensuring that an adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is subject to periodic evaluation by management and external auditors.

As a part of the District's single audit, described earlier, tests are made to determine the adequacy of the internal control over financial reporting and its compliance with applicable laws and regulations, including those related to major federal awards programs. The results of the District's single audit for the fiscal year ended June 30, 2010, provided no instances of material weaknesses in the internal control or violations of applicable laws and regulations.

Budgetary Controls. In addition, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Education. Activities of the General Fund, special revenue funds, Debt

Service Fund, enterprise fund and capital projects funds are included in the annual appropriated budget. Project length financial plans are adopted for the capital projects funds and budgeted accordingly on an annual basis. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by program level for all funds combined rather than at the individual fund level. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at the fiscal year's end. However, encumbrances generally are re-appropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

#### BASIS OF PRESENTATION

The charts and accounts used by the District have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board and Audits of State and Local Governmental Units issued by the American Institute of Certified Public Accountants. In addition, the District's accounting records conform to the Uniform Accounting System for Iowa Schools, Chapter 11 of the Code of Iowa and Area Educational Agencies issued by the Department of Education, state of Iowa. The chart of accounts manual is updated annually and the District is in full compliance with these requirements.

#### CASH MANAGEMENT

Cash, while temporarily idle during the year, was invested in time deposits and money market accounts. Interest rates remained extremely low being less than 1% during the year. While interest amounts have decreased this year this aspect of the District's finances has continued in its importance in recent years as we have sought to maximize the yield on our investments without forfeiting the use of fund balances.

#### OTHER INFORMATION

Independent Audit. The accounting firm of Van Maanen, Sietstra & Meyer, P.C. was selected to perform the annual audit in accordance with Chapter 11 of the Code of Iowa. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and related OMB Circular A-133. The auditor's report on the basic financial statements, combining and individual fund statements and other schedules is included in the financial section of this report.

#### ACKNOWLEDGEMENT

The preparation of this report on a timely basis could not have been accomplished without the effort of the accounting staff and our auditors, Van Maanen, Sietstra & Meyer, P.C. We would like to express our appreciation to all staff members who assisted and contributed to this report. Also, appreciation is expressed for the interest and support of the Board of Education in conducting the financial operations of The District in a most responsible and progressive manner.

Respectfully submitted,



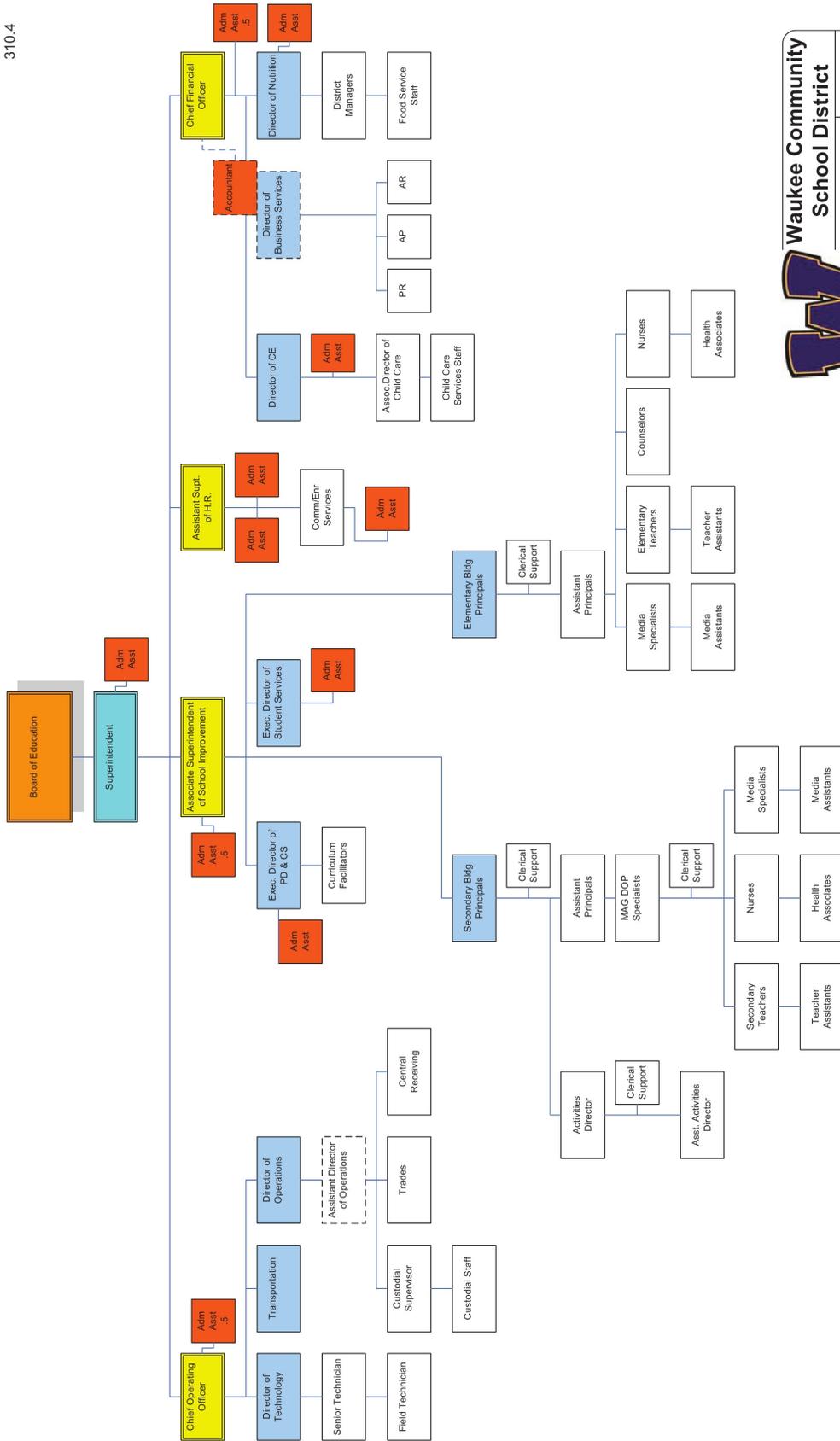
David J. Wilkerson, Ph.D.  
Superintendent



Lora Appenzeller Miller  
Chief Financial Officer

**Waukee Community School District  
Organizational Chart  
Year Ended June 30, 2011**

310.4



**Waukee Community  
School District**  
560 SE University  
Waukee, Ia. 50263  
Adopted  
7-19-2011

**Waukee Community School District  
Board of Education and Board Attorney  
Year Ended June 30, 2011**

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<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
<b>Board of Education</b>		
Jerry Ripperger	President	2011
Susan Bunz	Vice President	2011
Larry Lyon	Board Member	2011
Dave Duncan	Board Member	2013
Mary Thomas	Board Member	2013
Chuck Van Devander	Board Member	2013
Russ Wiesley	Board Member	2013
<b>Board Attorney</b>		
Ahlers & Cooney, P.C.	School Attorney	Indefinite

**Waukee Community School District**  
**School District Administration**  
**Year Ended June 30, 2011**

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<u>Name</u>	<u>Position</u>
Dr. David J. Wilkerson	Superintendent
R. Duane Van Gorp, RSBO	Executive Director of Administrative Services
Dr. Bradley Buck	Assistant Superintendent for School Improvement
Roxanne Cumings	Director of Student Services
Ray Coffey	Director of Technology
Lora Appenzeller-Miller	Chief Financial Officer
Eric Rose	Chief Operations Officer
Keith Elmquist	Director of Operations
Jeannie Allgood	Director of Nutrition Services
Andrea Wilmes	Director of Child Care Services
Duane Magee	Director of Personnel
Sharon Ingebrand	Director of Professional Development & Consultive Services
Jody Ratigan	High School Principal
Judi Roland	High School Dean of Students
Ronald Book	High School Dean of Students
Theresa Best	High School Dean of Students
Mark Tigges	High School Dean of Students
Juley Murphy-Tiernen	Prairieview Principal
Ed Slauson	Prairieview Dean of Students
Susan Elbert	Prairieview Dean of Students
Jill Urich	Middle School Principal
Michelle Lettington	South Middle School Principal
Clay Young	Assistant Principal South Middle School
Jodie Graham	Assistant Middle School Principal
Mark Skahill	Middle School Dean of Students
Nicole Tjaden	Waukee Elementary Principal
Peg Erke	Eason Elementary Principal
Terry Hurlburt	Brookview Elementary Principal
Chris Smith	Walnut Hills Elementary Principal
Doug Barry	Maple Grove Principal
Karen Allison	Shuler Elementary Principal
Scott Shumaker	Assistant Elementary Principal
Katie Ferguson	Assistant Elementary Principal
Lyndsay Marron	Assistant Elementary Principal
Jim Dnea	Director of Athletics & Activities
Todd Schneiter	Assistant Director of Athletics
Wayne Kischer	Auditorium Manager

**Waukee Community School District  
Consultants, Advisers, and Official Depositories  
Year Ended June 30, 2011**

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**Consultants and Advisers:**

Certified Public Accountants:

Van Maanen, Sietstra & Meyer, PC  
705 Main St  
Pella, IA 50219

Bond Attorney:

Ahlers & Cooney, P.C.  
100 Court Avenue, Suite 600  
Des Moines, Iowa 50309-2231

Financial Consultant

The PFM Group  
801 Grand Ave, Ste 3300  
Des Moines, Iowa 50309

General Counsel:

Ahlers & Cooney, P.C.  
100 Court Avenue, Suite 600  
Des Moines, Iowa 50309-2231

Property/Casualty Insurance Agent

Insurance Associates  
2501 Westown Parkway, Suite 1104  
West Des Moines, Iowa 50266-1438

Benefits Insurance Broker:

Mercer Advantage  
1776 West Lakes Parkway - SS2  
West Des Moines, Iowa 50266

**Official Depositories:**

Wells Fargo, Iowa  
110 Highway 6  
Waukee, Iowa 50263

First American Bank  
12333 University Avenue  
P.O. Box 71156  
Clive, Iowa 50325

Iowa School Joint Investment Trust  
P.O. Box 71158  
Clive Iowa 50325-0158

IPAS Education  
1415 28th St, Suite 200  
Century Building  
West Des Moines, Iowa 50266-1456



This Certificate of Excellence in Financial Reporting is presented to

**WAUKEE COMMUNITY SCHOOL DISTRICT**

**For its Comprehensive Annual Financial Report (CAFR)**  
For the Fiscal Year Ended June 30, 2010

Upon recommendation of the Association's Panel of Review which has judged that the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program

President

Executive Director



705 Main Street  
Pella, IA 50219  
641-628-3737

[www.vanmaanencpa.com](http://www.vanmaanencpa.com)

**Van Maanen, Sietstra & Meyer, PC**

CERTIFIED PUBLIC ACCOUNTANTS

## Independent Auditor's Report

To the Board of Education  
Waukee Community School District  
Waukee, Iowa

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Waukee Community School District, Iowa, as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements listed in the table of contents. These financial statements are the responsibility of District officials. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Waukee Community School District as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2011 on our consideration of Waukee Community School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis, Budgetary Comparison Information and Schedule of Funding Progress for the Retiree Health Plan on pages 13 through 20 and 54 through 56 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. We did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Waukee Community School District's basic financial statements. A different accounting firm audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the four years ended June 30, 2006 (which are not presented herein) and expressed unqualified opinions on those financial statements. We audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the four years ended June 30, 2010 (which are not presented herein) and expressed unqualified opinions on those financial statements. Other supplementary information included in Schedules 1 through 9, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Van Maanen, Sietstra & Meyer, PC*

Van Maanen, Sietstra & Meyer, PC  
Certified Public Accountants

November 10, 2011

**Waukee Community School District  
Management's Discussion and Analysis  
Year Ended June 30, 2011**

It is with great pleasure we present to you the financial picture of Waukee Community School District. We offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the Waukee Community School District for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

**2011 Financial Highlights**

The District showed a government wide increase in net assets of \$11,710,556 during the year ended June 30, 2011.

Governmental activities revenues increased from \$71,066,429 in fiscal year 2010 to \$77,474,592 in 2011. General revenues increased from \$58,830,651 in fiscal year 2010 to \$65,920,954 in 2011 while program revenues decreased from \$12,235,778 in 2010 to \$11,553,638 in 2011. The business-type activities revenues increased from \$3,829,957 in fiscal year 2010 to \$4,253,755 in 2011.

As of June 30, 2011, unreserved, undesignated fund balance for the General Fund was \$8,626,046 or 16.46% of General Fund expenditures. The financial solvency ratio for the year ended June 30, 2011 was 16.65%, which is a decrease of .15% over the previous year. This decrease is attributed to unreserved fund balance used to withstand 0% allowable growth to the current budget and previous fiscal year budget cuts of revenue by the Governor.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the Waukee Community School District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Figure A-1 shows how the various parts of this annual report are arranged and relate to one another.

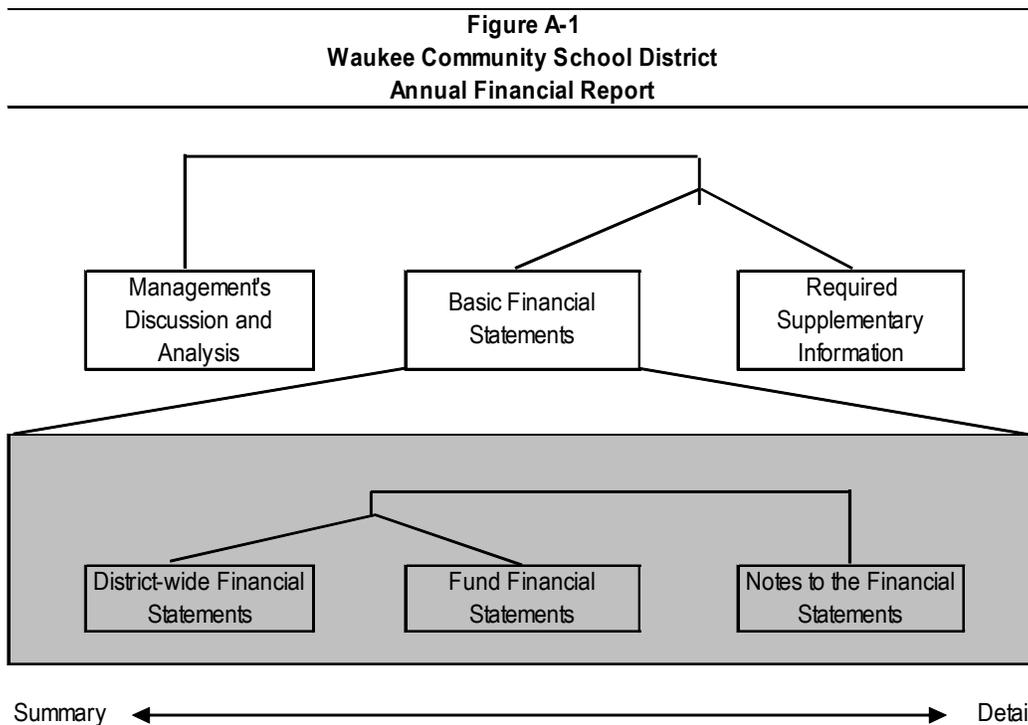


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of the management's discussion and analysis highlights the structure and contents of each of the statements.

**Waukee Community School District  
Management's Discussion and Analysis  
Year Ended June 30, 2011**

<b>Figure A-2</b>				
<b>Major Features of the Government-Wide and Fund Financial Statements</b>				
	Government-wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the district operates similar to private businesses: food services, community day care and community education	Instances in which the district administers resources on behalf of someone else, such as scholarship programs.
Required Financial Statements	* Statement of net assets * Statement of activities	* Balance Sheet * Statement of revenues, expenditures, and changes in fund balances	* Statement of net assets * Statement of revenues, expenses and changes in fund net assets * Statement of cash flows	* Statement of Fiduciary Net Assets * Statement of Changes in Fiduciary Net Assets
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, short-term and long-term	Generally, assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

**Government-wide financial statements** - The government-wide financial statements are designed to provide readers with a broad overview of Waukee Community School District's finances in a manner similar to a private-sector business.

The statement of net assets presents information on all Waukee Community School District's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements reflect functions of the Waukee Community School District that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, non-instructional services, other and interest on long-term debt. Business type activities are those that the District charges a fee to help cover the costs such as School Nutrition.

The government-wide financial statements include only Waukee Community School District. There are no other organizations or agencies whose financial statements should be combined and presented with the financial statements of the District.

**Waukee Community School District  
Management's Discussion and Analysis  
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**Fund financial statements** – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Waukee Community School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary fund and fiduciary funds.

*Governmental funds* – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Waukee Community School District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Debt Service and Capital Projects Funds, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 26 through 29 of this report.

*Proprietary fund* – The District maintains only one type of proprietary fund, the enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The District maintains one enterprise fund.

The basic proprietary fund financial statements can be found on pages 30 through 32 of this report.

*Fiduciary funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Waukee Community School District's own programs. The fiduciary funds of the District are agency funds. Agency funds are custodial in nature and do not involve measurement of results of operation.

The basic fiduciary fund financial statements can be found on pages 33 through 34 of this report.

**Notes to the financial statements** – The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

**Other information** – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Waukee Community School District's budgetary comparison for the year, as well as presenting the Schedule of Funding Progress for the Retiree Health Plan. Required Supplemental Information can be found on pages 54 and 56 of this report.

Other Supplementary Information provides detailed information about the non-major governmental and proprietary funds. In addition, the Schedule of Expenditures of Federal Awards provides details of various federal programs benefiting the District.

**Waukee Community School District  
Management's Discussion and Analysis  
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**Government-Wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The District's total net assets have increased from a year ago from \$55,107,225 to \$66,817,781.

A significant portion of the District's total assets reflects its investment in capital assets. The District uses these capital assets to provide educational services; consequently, these assets are not available for future spending. The District's net assets invested in capital assets, net of related debt, was \$40,718,222. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Figure A-3 below provides a summary of the District's net assets at June 30, 2011 compared to June 30, 2010.

**Figure A-3  
Statement of Net Assets**

	Governmental activities		Business type activities		Total		Total Change
	June 30,		June 30,		June 30,		June 30,
	2011	2010	2011	2010	2011	2010	2010-2011
Current assets	\$ 82,573,837	79,779,950	2,257,508	2,045,916	84,831,345	81,825,866	3.7%
Capital assets, net	151,511,231	144,754,198	1,713,938	854,305	153,225,169	145,608,503	5.2%
<b>Total assets</b>	<b>234,085,068</b>	<b>224,534,148</b>	<b>3,971,446</b>	<b>2,900,221</b>	<b>238,056,514</b>	<b>227,434,369</b>	<b>4.7%</b>
Current liabilities	63,545,111	56,877,911	135,198	122,162	63,680,309	57,000,073	11.7%
Noncurrent liabilities	107,360,392	115,272,006	198,032	55,065	107,558,424	115,327,071	-6.7%
<b>Total liabilities</b>	<b>170,905,503</b>	<b>172,149,917</b>	<b>333,230</b>	<b>177,227</b>	<b>171,238,733</b>	<b>172,327,144</b>	<b>-0.6%</b>
<b>Net assets:</b>							
Invested in capital assets, net of related debt	39,004,284	32,941,269	1,713,938	854,305	40,718,222	33,795,574	20.5%
Restricted	17,089,247	11,605,994	-	-	17,089,247	11,605,994	47.2%
Unrestricted	7,086,034	7,836,968	1,924,278	1,868,689	9,010,312	9,705,657	-7.2%
<b>Total net assets</b>	<b>\$ 63,179,565</b>	<b>52,384,231</b>	<b>3,638,216</b>	<b>2,722,994</b>	<b>66,817,781</b>	<b>55,107,225</b>	<b>21.3%</b>

The restricted portion of the District's net assets (26%) represents resources that are subject to external restrictions on how they may be used. These restrictions include \$2,306,891 for Management fund, \$4,643,758 for Physical Plant and Equipment, \$5,172,019 for Capital Projects and \$547,107 for other special revenue purposes. The remaining balance of unrestricted net assets may be used to meet the government's ongoing obligations to students and creditors.

At the end of the current fiscal year, the Waukee Community School District is able to report positive balances in all three categories of net assets. The same situation held true for the prior fiscal year.

The District's total net assets increased by \$11,710,556 or 21.3%, during the current fiscal year. The total invested in capital assets net of related debt increased 20.5%. The governmental activities net assets increased by \$10,795,334. Business type activities increased by \$915,222 the District is growing dramatically and investing heavily in capital assets.

**Wauke Community School District  
Management's Discussion and Analysis  
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Figure A-4 highlights the District's revenues and expenses for the fiscal year ended June 30, 2011 as compared to the fiscal year ended June 30, 2010. These two main components are subtracted to yield the change in net assets. This table utilized the full accrual method of accounting. Revenue is further divided into two major components: Program Revenue and General Revenue. Program Revenue is defined as charges for services and sales, operating and capital grants and contributions. General Revenue includes taxes and unrestricted grants such as state foundation support.

**Figure A-4  
Changes in Net Assets**

	Governmental activities		Business type activities		Total District		Total Change June 30, 2010-2011
	June 30,		June 30,		June 30,		
	2011	2010	2011	2010	2011	2010	
<b>Revenues:</b>							
Program revenues:							
Charges for services	\$ 2,546,069	2,296,318	3,456,186	3,146,530	6,002,255	5,442,848	10.28%
Operating grants and contributions	9,007,569	9,939,460	794,023	681,161	9,801,592	10,620,621	-7.71%
General Revenues:							
Property and other taxes	38,999,099	37,143,451	-	-	38,999,099	37,143,451	5.00%
Statewide sales and services tax	5,585,731	3,803,136	-	-	5,585,731	3,803,136	46.87%
Unrestricted state grants	20,447,529	15,766,453	-	-	20,447,529	15,766,453	29.69%
Unrestricted investment earnings	108,114	191,804	3,546	2,266	111,660	194,070	-42.46%
Other	780,481	2,269,559	-	-	780,481	2,269,559	-65.61%
Transfers	(1,218,178)	(140,379)	1,218,178	140,379	-	-	0.00%
Total revenues	<u>76,256,414</u>	<u>71,269,802</u>	<u>5,471,933</u>	<u>3,970,336</u>	<u>81,728,347</u>	<u>75,240,138</u>	<u>8.62%</u>
<b>Expenses:</b>							
Program expenses:							
Instruction	40,827,340	39,751,992	-	-	40,827,340	39,751,992	2.71%
Support services	16,998,032	15,156,524	81,528	50,011	17,079,560	15,206,535	12.32%
Non-instructional programs	102,369	28,486	4,475,183	3,696,184	4,577,552	3,724,670	22.90%
Other	2,708,103	7,804,526	-	-	2,708,103	7,804,526	-65.30%
Debt service	4,825,236	5,297,299	-	-	4,825,236	5,297,299	-8.91%
Total expenses	<u>65,461,080</u>	<u>68,038,827</u>	<u>4,556,711</u>	<u>3,746,195</u>	<u>70,017,791</u>	<u>71,785,022</u>	<u>-2.46%</u>
Changes in net assets	10,795,334	3,230,975	915,222	224,141	11,710,556	3,455,116	238.93%
Net assets beginning of year, as restated	52,384,231	49,153,256	2,722,994	2,498,853	55,107,225	51,652,109	6.69%
Net assets end of year	<u>\$ 63,179,565</u>	<u>52,384,231</u>	<u>3,638,216</u>	<u>2,722,994</u>	<u>66,817,781</u>	<u>55,107,225</u>	<u>21.25%</u>

Expenses are shown in programs including instruction, support services, non-instructional programs, other and debt service.

The number of students served by the District increased by approximately 431 students, which was a 9.4% increase over the prior year. This accounts for the across the board increase in revenues and expenses in both governmental activities and business-type activities. Investment earnings decreased 42.5% due to falling interest rates and decreased availability of investment capital for greater periods of time. Statewide sales tax increased by only 46.9% due to an overall moderating of Dallas County taxable sales.

**Waukee Community School District  
Management's Discussion and Analysis  
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**Governmental Activities** – Figure A-5 below discloses the total and net cost of services for the District's major governmental activities, instruction, support services, non-instructional programs, other and debt service expenses, for the year ended June 30, 2011 compared to the year ended June 30, 2010. The total cost of services column contains all costs related to the programs and the net cost column shows how much of the total amount is not covered by program revenues. Succinctly put, net costs are costs that must be covered by state aid and local taxes. The difference in these two columns would represent restricted grants and services. Net Cost of services is 82.4% of total cost of services in 2011.

**Figure A-5  
Total and Net Cost of Governmental Activities**

	Total Cost of Services			Net Cost of Services		
	June 30,			June 30,		
	2011	2010	2010-2011	2011	2010	2010-2011
Instruction	\$ 40,827,340	39,751,992	2.71%	32,133,058	30,158,783	6.55%
Support services	16,998,032	15,156,524	12.15%	16,635,070	14,820,245	12.25%
Non-instruction	102,369	28,486	259.37%	102,369	28,486	259.37%
Other	2,708,103	7,804,526	-65.30%	211,709	5,498,236	-96.15%
Debt service	4,825,236	5,297,299	-8.91%	4,825,236	5,297,299	-8.91%
	\$ 65,461,080	68,038,827	-3.79%	53,907,442	55,803,049	-3.40%

**Business Type Activities** – Revenues for business type activities during the year ended June 30, 2011 were \$4,253,755 representing, an 11.1% increase over the prior year, while expenses totaled \$4,556,711, a 21.1% increase over the prior year. The District's business type activities include the School Nutrition Fund, Community Daycare and Community Education.

**Individual Fund Analysis**

As noted earlier, the Waukee Community School District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds** – The focus of the Waukee Community School District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Waukee Community School District's governmental funds reported combined ending balances of \$27,986,555, a decrease of \$4,235,123 in comparison with the prior year, as restated. Approximately 30.8% of this total amount, or \$8,626,046 constitutes unreserved fund balance and is available for spending at the government's discretion. The remainder of the fund balance is nonspendable or restricted. Restricted net assets represent resources subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. The nonspendable fund balance of \$55,158 is in inventories. Restricted fund balances consist of \$449,859 for categorical funding, \$4,450,438 for debt service, \$2,776,348 for management levy purposes, \$547,107 for student activities, \$6,437,841 for school infrastructure and \$4,643,758 for physical plant and equipment.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$8,626,046 while total fund balance reached \$9,131,063. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and the total fund balance to total fund expenditures. Unreserved fund balance represents 15.71% of total General Fund expenditures.

The fund balance of the District's General Fund increased \$523,436 during the current fiscal year. The key factor in this was a 10% across the board cut by the Governor to school funding.

The District's other major funds include the Debt Service Fund and the Capital Projects Fund. The Debt Service fund balance increased \$1,799,721 due to accumulation of local taxes needed to make future interest payments as they come due.

**Waukee Community School District  
Management's Discussion and Analysis  
Year Ended June 30, 2011**

**Budgetary Highlights**

As allowed by GASB Statement No. 41, *Budgetary Comparison-Schedules – Perspective Differences*, the District presents budgetary comparison schedules as required supplementary information based on the program structure of four functional areas as required by state statute for its legally adopted budget. In accordance with the Code of Iowa, the Board of Education annually adopts a program budget for all funds except agency funds as described in the note to required supplementary information.

A comparison of the actual expenditures/expenses of the District's budgeted funds with the final budget amounts is as follows:

	Budget- Original and		
	Final	Actual	Variance
Instruction	\$ 38,500,000	37,871,852	628,148
Support services	25,625,000	16,741,544	8,883,456
Noninstructional programs	3,800,000	4,475,183	(675,183)
Other	54,937,608	27,012,954	27,924,654
	<u>\$ 122,862,608</u>	<u>86,101,533</u>	<u>36,761,075</u>

In spite of the District's budgetary practice, the certified budget was exceeded in the noninstructional program function area due to the timing of expenditures at year-end without sufficient time to amend the certified budget.

**Capital Assets and Debt Administration**

**Capital Assets** – The following table shows ending balances of capital assets invested in various categories. The District recognized a total net increase of \$7,633,480. The increase can be attributed to extensive land purchases and completion of three major construction projects.

**Figure A-6  
Capital Assets, Net of Depreciation**

	Governmental activities		Business Type activities		Total District		Total Change
	June 30,		June 30,		June 30,		June 30,
	2011	2010	2011	2010	2011	2010	2010-2011
Land	\$ 5,510,945	5,510,945	-	-	5,510,945	5,510,945	0.0%
Improvements other than buildings	4,803,910	3,746,826	-	-	4,803,910	3,746,826	28.2%
Buildings and improvements	137,770,817	94,203,649	-	-	137,770,817	94,203,649	46.2%
Furniture and equipment	2,141,516	2,018,943	1,713,938	837,491	3,855,454	2,856,434	35.0%
Construction in progress	1,284,043	39,273,835	-	-	1,284,043	39,273,835	-96.7%
Total	\$ 151,511,231	144,754,198	1,713,938	837,491	153,225,169	145,591,689	5.2%

Additional information about the District's capital assets can be found in note 4 to the financial statements.

**Debt** – As of June 30, 2011, the Waukee Community School District had general obligation bonds, capital loan notes and revenue bonds outstanding principal balance totaling \$113,410,000. In the current year, the District paid \$8,715,000 in principal and \$4,970,492 in interest.

As of June 30, 2011, the District's available debt limit was \$198,319,011 which leaves a legal debt margin of \$84,909,011 once the current year applicable general obligation and capital loan debt is applied.

Figure A-7  
Long-term Debt Obligations

	Total School District		Total Change
	June 30,		June 30,
	2011	2010	2010-2011
General obligation bonds	\$ 96,445,000	101,005,000	-4.5%
Revenue bonds	8,680,000	11,355,000	-23.6%
Capital loan notes	8,285,000	9,765,000	-15.2%
Bond discounts, net of amortization	(102,306)	(110,683)	-7.6%
Bond issuance costs, net of amortization	(154,779)	(168,302)	-8.0%
Bond premiums, net of amortization	605,914	686,972	-11.8%
Early retirement payable	580,959	561,690	3.4%
Other post employment benefits payable	1,827,000	1,070,248	70.7%
Totals	\$ 116,166,788	124,164,925	-6.4%

Additional information about the District's long-term debt can be found in note 5 to the financial statements.

### Economic Factors and Next Year's Budgets and Rates

The District is located in the central part of the state, approximately 15 miles west of the city of Des Moines. The District, comprised totally in Dallas County, Iowa, is one of the fastest growing counties in the nation. The District is the fastest growing school district in the State of Iowa. The September 2010 certified student enrollment increased 431.03 students over the previous year. The economic condition and outlook of the District is one of great optimism. Over the past seven years the total taxable assessed value in the District has increased \$3.13B. The taxable assessed value has increased 118% since 2005. For the current fiscal year, taxable assessed value in the District increased \$309,245,708 or 8.1%.

Based on conservative estimates this trend is expected to continue and probably accelerate in the immediate future. The eastern portions of Dallas County are experiencing growth in both residential and commercial development. The collection of the Dallas County local option sales tax, a one cent tax on all covered retail sales began in January of 2004 and generated \$5.58 million dollars in fiscal 2011. An estimated \$5.1 million dollars is expected to be generated in 2012. The one-cent sales tax will continue through December of 2013 and which point the District will join the state pool.

This growth, while having a positive impact, also presents significant challenges for the District. The District is utilizing the optional instructional support levy to its fullest and will need to continue its high level of efficient use of human resources and facilities.

Retail sales, building permits and population increases in the western suburbs far exceed that of any other location in the metropolitan area or in the State of Iowa. Dallas County is one of the fastest growing counties in the country. These increases are projected to continue if economic conditions remain favorable.

The past year saw a dramatic State of Iowa economic downturn. Revenue projections at the state level decreased drastically from the previous year. The District has faced reductions in funding for state aid and other state-funded programs in the two previous fiscal years. The District has taken a pro-active approach to fiscal stability that has served it well in these times of financial crisis. The 2010 legislature set allowable growth for the 2010-11 at 0%. We are optimistic about the District's financial outlook because of prudent actions taking over the past five to six years. The District has positioned itself extremely well to withstand financial uncertainties at both the state and federal level. We are confident as the national economy begins to strengthen, state revenues will follow the same upward direction.

### Requests for Information

These financial statements and discussions are designed to provide our students, citizens, taxpayers, investors and creditors with a complete disclosure of the District's finances and to demonstrate a high degree of accountability for the public dollars entrusted to us. If you have questions about this report or need additional information, please write Lora Appenzeller-Miller, Chief Financial Officer, Waukee Community School District, 560 S.E. University Avenue, Waukee, Iowa, 50263.

## **Basic Financial Statements**

**Waukee Community School District**  
**Statement of Net Assets**  
**June 30, 2011**

	Governmental Activities	Business Type Activities	Total Primary Government
<b>Assets</b>			
Current Assets:			
Cash and cash equivalents	\$ 40,136,000	2,167,409	42,303,409
Receivables:			
Property tax:			
Delinquent	240,021	-	240,021
Succeeding year	41,006,836	-	41,006,836
Accounts	44,460	5,620	50,080
Due from other governments	1,091,362	-	1,091,362
Inventories	55,158	84,479	139,637
Total current assets	<u>82,573,837</u>	<u>2,257,508</u>	<u>84,831,345</u>
Non-current assets:			
Capital assets:			
Land	5,510,945	-	5,510,945
Improvements other than buildings	6,875,127	-	6,875,127
Buildings and improvements	155,730,259	-	155,730,259
Vehicles, furniture and equipment	4,075,995	2,901,252	6,977,247
Construction in progress	1,284,043	-	1,284,043
Accumulated depreciation	(21,965,138)	(1,187,314)	(23,152,452)
Total capital assets	<u>151,511,231</u>	<u>1,713,938</u>	<u>153,225,169</u>
Total non-current assets	<u>151,511,231</u>	<u>1,713,938</u>	<u>153,225,169</u>
<b>Total assets</b>	<b><u>234,085,068</u></b>	<b><u>3,971,446</u></b>	<b><u>238,056,514</u></b>
<b>Liabilities</b>			
Current liabilities:			
Excess of outstanding warrants over bank balance	4,875,958	-	4,875,958
Accounts payable	2,290,079	20,831	2,310,910
Salaries and benefits payable	5,826,190	38,373	5,864,563
Due to other governments	2,250	-	2,250
Accrued interest payable	535,983	-	535,983
Deposits payable	100,000	-	100,000
Unearned revenue:			
Succeeding year property tax	41,006,836	-	41,006,836
Other	111,860	64,436	176,296
Capital loan notes payable	1,535,000	-	1,535,000
Revenue bonds payable	2,780,000	-	2,780,000
General obligation bonds payable	4,159,158	-	4,159,158
Early retirement payable	134,206	-	134,206
Compensated absences	187,591	11,558	199,149
Total current liabilities	<u>63,545,111</u>	<u>135,198</u>	<u>63,680,309</u>

Exhibit A

**Waukee Community School District  
Statement of Net Assets  
June 30, 2011**

	Governmental Activities	Business Type Activities	Total Primary Government
<i>Continued from previous page</i>			
Non-current liabilities:			
Capital loan notes payable	6,750,000	-	6,750,000
Revenue bonds payable	5,900,000	-	5,900,000
General obligation bonds payable	92,634,671	-	92,634,671
Early retirement payable	446,753	-	446,753
Other post employment benefits payable	1,628,968	198,032	1,827,000
Total non-current liabilities	107,360,392	198,032	107,558,424
<b>Total liabilities</b>	170,905,503	333,230	171,238,733
<b>Net Assets</b>			
Invested in capital assets, net of related debt	39,004,284	1,713,938	40,718,222
Restricted for:			
Categorical funding	449,859	-	449,859
Management levy purposes	2,306,891	-	2,306,891
Physical plant and equipment levy	4,643,758	-	4,643,758
Student activities	547,107	-	547,107
School infrastructure	5,172,019	-	5,172,019
Debt service	3,914,455	-	3,914,455
Other purposes	55,158	-	55,158
Unrestricted	7,086,034	1,924,278	9,010,312
<b>Total net assets</b>	<b>\$ 63,179,565</b>	<b>3,638,216</b>	<b>66,817,781</b>

See notes to financial statements.

**Waukee Community School District**  
**Statement of Activities**  
**Year ended June 30, 2011**

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total Primary Government
<b>Functions/Programs</b>						
Governmental activities:						
Instruction:						
Regular	\$ 30,113,529	1,381,231	5,730,697	(23,001,601)	-	(23,001,601)
Special	5,969,497	209,161	617,623	(5,142,713)	-	(5,142,713)
Other	4,744,314	731,894	23,676	(3,988,744)	-	(3,988,744)
	<u>40,827,340</u>	<u>2,322,286</u>	<u>6,371,996</u>	<u>(32,133,058)</u>	<u>-</u>	<u>(32,133,058)</u>
Support services:						
Student	2,242,118	-	-	(2,242,118)	-	(2,242,118)
Instructional staff	2,434,141	-	-	(2,434,141)	-	(2,434,141)
Administration	4,679,045	-	-	(4,679,045)	-	(4,679,045)
Operation/maintenance of plant	5,025,146	168,058	-	(4,857,088)	-	(4,857,088)
Transportation	2,617,582	55,725	139,179	(2,422,678)	-	(2,422,678)
	<u>16,998,032</u>	<u>223,783</u>	<u>139,179</u>	<u>(16,635,070)</u>	<u>-</u>	<u>(16,635,070)</u>
Noninstructional services	102,369	-	-	(102,369)	-	(102,369)
Other expenses:						
Debt service - interest	4,825,236	-	-	(4,825,236)	-	(4,825,236)
AEA flowthrough	2,496,394	-	2,496,394	-	-	-
Depreciation (unallocated) *	211,709	-	-	(211,709)	-	(211,709)
	<u>7,533,339</u>	<u>-</u>	<u>2,496,394</u>	<u>(5,036,945)</u>	<u>-</u>	<u>(5,036,945)</u>
Total governmental activities	65,461,080	2,546,069	9,007,569	(53,907,442)	-	(53,907,442)
Business type activities:						
Non-instructional programs:						
Food service operations	3,463,106	2,447,045	793,523	-	(222,538)	(222,538)
Daycare operations	823,806	910,638	500	-	87,332	87,332
Community education operations	269,799	98,503	-	-	(171,296)	(171,296)
Total business type activities	<u>4,556,711</u>	<u>3,456,186</u>	<u>794,023</u>	<u>-</u>	<u>(306,502)</u>	<u>(306,502)</u>
Total primary government	<u>\$ 70,017,791</u>	<u>6,002,255</u>	<u>9,801,592</u>	<u>(53,907,442)</u>	<u>(306,502)</u>	<u>(54,213,944)</u>

**Waukee Community School District  
Statement of Activities  
Year ended June 30, 2011**

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Service	Operating Grants, Contributions and Restricted Interest	Governmental Activities	Business Type Activities	Total Primary Government
<b>Totals continued from previous page</b>	<b>\$ 70,017,791</b>	<b>6,002,255</b>	<b>9,801,592</b>	<b>\$ (53,907,442)</b>	<b>(306,502)</b>	<b>(54,213,944)</b>
General Revenues:						
Property tax levied for:						
General purposes				25,951,637	-	25,951,637
Debt service				8,911,768	-	8,911,768
Capital outlay				4,135,694	-	4,135,694
Statewide sales, services and use tax				5,585,731	-	5,585,731
Unrestricted state grants				20,447,529	-	20,447,529
Grants and contributions not restricted to specific programs				312,045	-	312,045
Unrestricted investment earnings				108,114	3,546	111,660
Other				468,436	-	468,436
Transfers				(1,218,178)	1,218,178	-
Total general revenues and transfers				64,702,776	1,221,724	65,924,500
Change in net assets				10,795,334	915,222	11,710,556
Net assets beginning of year, as restated				52,384,231	2,722,994	55,107,225
Net assets end of year				\$ 63,179,565	3,638,216	66,817,781

\* This amount excludes the depreciation that is included in the direct expense of the various programs.

See notes to financial statements.

**Waukee Community School District  
Balance Sheet  
Governmental Funds  
June 30, 2011**

	General	Debt Service	Capital Projects	Non-major Governmental Funds	Total
<b>Assets</b>					
Cash and pooled investments	\$ 16,705,731	2,513,117	17,168,807	3,457,194	39,844,849
Receivables:					
Property tax:					
Current year delinquent	144,435	57,080	26,489	12,017	240,021
Succeeding year	27,072,251	8,536,720	4,397,859	1,000,006	41,006,836
Accounts	10,067	-	-	-	10,067
Due from other governments	290,139	-	801,223	-	1,091,362
Inventories	55,158	-	-	-	55,158
<b>Total assets</b>	<b>\$ 44,277,781</b>	<b>11,106,917</b>	<b>22,394,378</b>	<b>4,469,217</b>	<b>82,248,293</b>
<b>Liabilities and Fund Balances</b>					
Liabilities:					
Excess of warrants over bank balance	\$ 964,519	-	3,903,850	7,589	4,875,958
Accounts payable	1,169,648	15,000	1,015,829	26,665	2,227,142
Salaries and benefits payable	5,826,190	-	-	-	5,826,190
Due to other governments	2,250	-	-	-	2,250
Deposits payable	-	-	100,000	-	100,000
Early retirement payable	-	-	-	111,502	111,502
Deferred revenue:					
Succeeding year property tax	27,072,251	8,536,720	4,397,859	1,000,006	41,006,836
Other	111,860	-	-	-	111,860
Total liabilities	35,146,718	8,551,720	9,417,538	1,145,762	54,261,738
Fund balances:					
Nonspendable fund balance:					
Inventories	55,158	-	-	-	55,158
Restricted for:					
Categorical funding	449,859	-	-	-	449,859
Debt service	-	2,555,197	1,895,241	-	4,450,438
Mangement levy purposes	-	-	-	2,776,348	2,776,348
Student activities	-	-	-	547,107	547,107
School infrastructure	-	-	6,437,841	-	6,437,841
Physical plant and equipment	-	-	4,643,758	-	4,643,758
Unassigned	8,626,046	-	-	-	8,626,046
Total fund balances	9,131,063	2,555,197	12,976,840	3,323,455	27,986,555
<b>Total liabilities and fund balances</b>	<b>\$ 44,277,781</b>	<b>11,106,917</b>	<b>22,394,378</b>	<b>4,469,217</b>	<b>82,248,293</b>

See notes to financial statements.

Exhibit D

**Waukee Community School District  
Reconciliation of the Balance Sheet  
Governmental Funds To the Statement of Net Assets  
June 30, 2011**

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**Total fund balances of governmental funds (Exhibit C)** \$ 27,986,555

***Amounts reported for governmental activities in the statement of net assets are different because:***

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 151,511,231

The Internal Service Fund is used to charge the costs of the District's flexible benefits plan and self-funded dental plan to the governmental funds. The net assets of the Internal Service Fund are therefore included in governmental activities. 262,607

Long-term liabilities, including bonds and notes payable, early retirement and compensated absences, are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Those liabilities at year-end consist of:

Capital loan notes payable	\$	(8,285,000)	
Revenue bonds payable		(8,680,000)	
General obligation bonds payable		(96,445,000)	
Bond discounts		102,306	
Bond issuance costs		154,779	
Bond premiums		(605,914)	
Accrued interest		(535,983)	
Early retirement		(469,457)	
Compensated absences		(187,591)	
Other post employment benefits		(1,628,968)	
		(1,628,968)	(116,580,828)

**Net assets of governmental activities (Exhibit A)** \$ 63,179,565

See notes to financial statements.

Exhibit E

**Waukee Community School District**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**Year ended June 30, 2011**

	General	Debt Service	Capital Projects	Non-major Governmental Funds	Total
<b>Revenues:</b>					
Local sources:					
Local tax	\$ 23,958,253	8,911,768	9,721,425	1,993,384	44,584,830
Tuition	1,262,380	-	-	-	1,262,380
Other	886,204	1,919	266,183	1,011,489	2,165,795
State sources	26,670,526	1,374	638	344	26,672,882
Federal sources	2,788,705	-	-	-	2,788,705
Total revenues	55,566,068	8,915,061	9,988,246	3,005,217	77,474,592
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	27,058,522	-	-	498,335	27,556,857
Special	5,685,705	-	-	-	5,685,705
Other	3,777,441	-	-	851,849	4,629,290
	36,521,668	-	-	1,350,184	37,871,852
Support services:					
Student	2,111,087	-	-	-	2,111,087
Instructional staff	2,596,051	-	-	-	2,596,051
Administration	3,942,934	21,200	479,860	77,534	4,521,528
Operation and maintenance of plant	4,627,308	-	-	221,745	4,849,053
Transportation	2,582,297	-	-	-	2,582,297
	15,859,677	21,200	479,860	299,279	16,660,016
Capital outlay:					
Facilities acquisition	-	-	10,831,068	-	10,831,068
Debt service:					
Principal	-	8,715,000	-	-	8,715,000
Interest and fiscal charges	-	4,970,492	-	-	4,970,492
	-	13,685,492	-	-	13,685,492
Intergovernmental:					
Other expenditures	2,496,394	-	-	-	2,496,394
Total expenditures	54,877,739	13,706,692	11,310,928	1,649,463	81,544,822
Excess (deficiency) of revenues over (under) expenditures	688,329	(4,791,631)	(1,322,682)	1,355,754	(4,070,230)
Other financing sources (uses):					
Interfund transfers in	-	6,591,352	544,139	-	7,135,491
Interfund transfers out	(164,893)	-	(7,135,491)	-	(7,300,384)
Total other financing sources (uses)	(164,893)	6,591,352	(6,591,352)	-	(164,893)
Net change in fund balances	523,436	1,799,721	(7,914,034)	1,355,754	(4,235,123)
Fund balances beginning of year, as restated	8,607,627	755,476	20,890,874	1,967,701	32,221,678
Fund balances end of year	\$ 9,131,063	2,555,197	12,976,840	3,323,455	27,986,555

See notes to financial statements.

**Waukee Community School District  
 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
 Governmental Funds to the Statement of Activities  
 Year ended June 30, 2011**

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**Net change in fund balances - total governmental funds (Exhibit E)** \$ (4,235,123)

***Amounts reported for governmental activities in the statement of activities are different because:***

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, those costs are reported in the Statement of Net Assets and are allocated over their estimated useful lives as depreciation expense in the Statement of Activities. The amounts of capital outlays and depreciation expense in the year are as follows:

Expenditures for capital assets	\$ 11,338,807	
Transfer of capital assets to Business-type activities	(1,053,285)	
Depreciation expense	<u>(3,528,489)</u>	6,757,033

Proceeds from issuing long-term liabilities provide current financial resources to governmental funds, but increases long-term liabilities in the Statement of Net Assets. Repayment of long-term debt liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. Also, governmental funds report the effect of issuance costs and premiums, whereas these amounts are deferred in and amortized in the Statement of Activities. Current year items are as follows:

Repayments of bond and note principal	8,715,000	
Amortization of premiums and discounts	<u>59,158</u>	8,774,158

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when due. In the Statement of Activities, interest expense is recognized as the interest accrues, regardless of when it is due.

86,098

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Early retirement	(30,621)	
Compensated absences	2,907	
Other post employment benefits	<u>(613,785)</u>	(641,499)

The change in net assets of the Internal Service Funds represent an undercharge to the governmental funds served and, therefore, increases expenses in the Statement of Activities.

54,667

**Change in net assets of governmental activities (Exhibit B)** \$ 10,795,334

See notes to financial statements.

**Waukee Community School District**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2011**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 2,167,409	291,151
Receivables:		
Accounts	5,620	34,393
Inventories	84,479	-
Total current assets	<u>2,257,508</u>	<u>325,544</u>
Non-current assets:		
Capital assets:		
Equipment	2,901,252	-
Accumulated depreciation	(1,187,314)	-
Total noncurrent assets	<u>1,713,938</u>	<u>-</u>
<b>Total assets</b>	<u><b>3,971,446</b></u>	<u><b>325,544</b></u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	20,831	62,937
Salaries and benefits payable	38,373	-
Unearned revenue	64,436	-
Compensated absences	11,558	-
Total current liabilities	<u>135,198</u>	<u>62,937</u>
Noncurrent liabilities:		
Other post employment benefits	198,032	-
<b>Total liabilities</b>	<u><b>333,230</b></u>	<u><b>62,937</b></u>
<b>Net Assets</b>		
Invested in capital assets	1,713,938	-
Unrestricted	1,924,278	262,607
<b>Total net assets</b>	<u><b>\$ 3,638,216</b></u>	<u><b>262,607</b></u>

See notes to financial statements.

Exhibit H

**Waukee Community School District**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**Year ended June 30, 2011**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
Operating revenue:		
Local sources:		
Charges for services	\$ 3,456,186	806,553
Operating expenses:		
Support services:		
Administration services	65,239	-
Operation and maintenance of plant services	3,939	-
Transportation services	12,350	-
	<u>81,528</u>	<u>-</u>
Non-instructional programs:		
Food service operations:		
Depreciation	202,634	-
Other	3,253,509	-
	<u>3,456,143</u>	<u>-</u>
Other enterprise operations:		
Depreciation	4,117	-
Other	1,014,923	751,886
	<u>1,019,040</u>	<u>751,886</u>
Total operating expenses	<u>4,556,711</u>	<u>751,886</u>
Operating income (loss)	<u>(1,100,525)</u>	<u>54,667</u>
Non-operating revenues:		
Interest on investments	3,546	-
Contributions	500	-
State sources	24,211	-
Federal sources	769,312	-
Total non-operating revenues	<u>797,569</u>	<u>-</u>
Income (loss) before contributions and transfers	(302,956)	54,667
Contributions and transfers:		
Capital contributions	1,053,285	-
Transfer in	164,893	-
Total contributions and transfers	<u>1,218,178</u>	<u>-</u>
Change in net assets	915,222	54,667
Net assets beginning of year, as restated	<u>2,722,994</u>	<u>207,940</u>
Net assets end of year	<u>\$ 3,638,216</u>	<u>262,607</u>

See notes to financial statements.

**Waukee Community School District  
Statement of Cash Flows  
Proprietary Funds  
Year ended June 30, 2011**

	Business Type Activities	Governmental Activities
	Non-major Enterprise Funds	Internal Service Fund
Cash flows from operating activities:		
Cash received from sale of lunches and breakfasts	\$ 2,460,939	-
Cash received from miscellaneous operating activities	1,020,667	772,238
Cash payments to employees for services	(2,340,221)	(688,949)
Cash payments to suppliers for goods or services	(1,691,368)	-
Net cash provided (used) by operating activities	<u>(549,983)</u>	<u>83,289</u>
Cash flows from non-capital financing activities:		
Contributions - noncapital	500	-
Transfers in	164,893	-
State grants received	24,211	-
Federal grants received	581,103	-
Net cash provided by non-capital financing activities	<u>770,707</u>	<u>-</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(13,099)	-
Net cash used by capital and related financing activities	<u>(13,099)</u>	<u>-</u>
Cash flows from investing activities:		
Interest on investments	3,546	-
Net increase in cash and cash equivalents	211,171	83,289
Cash and cash equivalents at beginning of year	1,956,238	207,862
Cash and cash equivalents at end of year	<u>\$ 2,167,409</u>	<u>291,151</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
Operating income (loss)	\$ (1,100,525)	54,667
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Commodities used	188,209	-
Depreciation	206,751	-
Decrease (increase) in accounts receivable	11,628	(34,315)
(Increase) in inventories	(12,049)	-
(Decrease) in accounts payable	(12,789)	62,937
Increase in salaries and benefits payable	9,363	-
Increase in unearned revenue	13,792	-
Increase in compensated absences payable	2,670	-
Increase in other post employment benefits payable	142,967	-
Net cash provided (used) by operating activities	<u>\$ (549,983)</u>	<u>83,289</u>
<b>Reconciliation of cash and cash equivalents at year end to specific assets included on Combined Balance Sheet:</b>		
Current assets:		
Cash and investments	\$ 2,167,409	291,151
Cash and cash equivalents at year end	<u>\$ 2,167,409</u>	<u>291,151</u>
<b>Non-cash investing, capital and financing activities:</b>		
Noncapital financing activities, commodities received from the US Department of Agriculture	\$ 188,209	\$ -
Capital and related financing activities, capital contributions	1,053,285	-

See notes to financial statements.

Exhibit J

**Waukee Community School District  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2011**

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	<u>Private Purpose Trust</u>
	<u>Scholarship</u>
<b>Assets</b>	
Cash and pooled investments	\$ 231,904
<b>Total assets</b>	<u>231,904</u>
<b>Net assets</b>	
Assets held in trust for scholarships	<u>\$ 231,904</u>

See notes to financial statements.

Exhibit K

**Waukee Community School District**  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Fund**  
**Year Ended June 30, 2011**

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	<u>Private Purpose</u> <u>Trust</u>
	<u>Scholarship</u>
Additions:	
Local sources:	
Donations	\$ 2,500
Interest	10,147
Total additions	<u>12,647</u>
Deductions:	
Instruction:	
Scholarships awarded	10,058
Total deductions	<u>10,058</u>
Change in net assets	2,589
Net assets beginning of year	<u>229,315</u>
Net assets end of year	<u>\$ 231,904</u>

See notes to financial statements.

**(1) Summary of Significant Accounting Policies**

The Wauke Community School District is a political subdivision of the State of Iowa and operates public schools for children in grades kindergarten through twelve and special education pre-kindergarten. Additionally, the District either operates or sponsors various adult education programs. These courses include remedial education as well as vocational and recreational courses. The geographic area served includes the city of Wauke, Iowa; portions of the cities of West Des Moines, Clive and Urbandale, and the agricultural territory in Dallas County. The District is governed by a Board of Education whose members are elected on a non-partisan basis.

The District's financial statements are prepared in conformity with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.

**A. Reporting Entity**

For financial reporting purposes, Wauke Community School District has included all funds, organizations, agencies, boards, commissions and authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the District to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the District. Wauke Community School District has no component units which meet the Governmental Accounting Standards Board criteria.

Jointly Governed Organization – The District participates in a jointly governed organization that provides services to the District but does not meet the criteria of a joint venture since there is no ongoing financial interest or responsibility by the participating governments. The District is a member of the Dallas County Assessor's Conference Board.

**B. Basis of Presentation**

Government-wide Financial Statements - The Statement of Net Assets and the Statement of Activities report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by tax and intergovernmental revenues, are reported separately from business type activities, which rely to a significant extent on fees and charges for service.

The Statement of Net Assets presents the District's non-fiduciary assets and liabilities, with the difference reported as net assets. Net assets are reported in three categories:

*Invested in capital assets, net of related debt* consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

*Restricted net assets* result when constraints placed on net asset use are either externally imposed or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net assets* consist of net assets that do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources that are imposed by management, but can be removed or modified.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants, contributions and interest that are restricted to meeting the operational or capital requirements of a particular function. Property tax and other items not properly included among program revenues are reported instead as general revenues.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Fund Financial Statements - Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as other non-major governmental funds. Combining schedules are also included for the Capital Project Fund accounts.

Fund accounting - The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, reserves, fund balance/net assets, revenues and expenditures or expenses, as appropriate. The District has the following funds:

**Governmental Fund Types:** Governmental fund types are those funds through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the District's major governmental funds:

General Fund: The General Fund accounts for all sources used to finance District operation and maintenance, except those required to be accounted for in another fund.

Debt Service Fund: The Debt Service Fund is utilized to account for property tax and other revenues to be used for the payment of interest and principal on the District's general long-term debt.

Capital Projects Fund: The Capital Projects Fund is used to account for all resources used in the acquisition and construction of capital facilities and other capital assets.

The other governmental funds of the District are considered non-major and are as follows:

Special Revenue Funds: The Special Revenue Funds account for the revenue sources that are legally restricted to expenditures for specific purposes. These funds consist of the following:

Student Activity Funds: This fund accounts for transactions that occur due to student-related activities from groups and organizations such as athletic and activity events, fundraising and other extra-curricular or co-curricular activities.

Management Fund: This fund is authorized by Iowa Code Section 298.4 and accounts for transactions related to unemployment, early retirement, judgments and settlements and the cost of liability insurance as it relates to property and casualty.

**Proprietary Fund Types:** Proprietary fund types are used to account for the District's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is upon income determination, financial position and cash flows. The following are the District's proprietary funds:

Enterprise Funds: Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the District has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, the District has elected to apply all applicable Financial Accounting Standards Board (FASB) pronouncements, issued on or before November 30, 1989, except for those pronouncements which conflict with or contradict GASB pronouncements.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

The following enterprise funds of the District are considered non-major:

School Nutrition Fund: This fund accounts for transactions related to the school lunch, breakfast and summer food programs authorized by Iowa Code 283A.

Daycare Fund: This fund accounts for transactions for before and after school child care and summer child care programs authorized by Iowa Code 298A.12 and 279.49.

Community Education Fund: This fund accounts for transactions for facilities and services to provide further education opportunities to the local area.

Internal Service Funds: The internal service funds are used to account for goods or services provided by one department to other departments of the District on a cost reimbursement basis. The District has the following internal service funds:

Self-Insurance Fund: This fund accounts for transactions for self-insured dental insurance received by District employees in which the District is responsible for paying all claims and administrative costs attributable to the insurance.

Flexible benefits: This fund accounts for transactions for certain benefits available to District employees in which the District is responsible for paying all premiums or costs specified by the employee.

**Fiduciary Fund Types**: Fiduciary funds account for assets held by the District in a trustee or agency capacity for the benefit of others and cannot be used to support District activities. The District has the following fiduciary fund type:

Private Purpose Trust Fund: This fund accounts for assets held by the District under trust agreements with restrictions of income earned to be used to benefit individuals through scholarship awards.

C. Measurement Focus and Basis of Accounting

The government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax is recognized as revenue in the year for which it is levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days after year end.

Property tax, intergovernmental revenues (shared revenues, grants and reimbursements from other governments) and interest associated with the current fiscal period are all considered to be susceptible to accrual. All other revenue items are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, claims and judgments, and compensated absences are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, and then general revenues.

When an expenditure is incurred in governmental funds which can be paid using either restricted or unrestricted resources, the District's policy is generally to first apply the expenditure toward restricted fund balance and then to less-restrictive classifications – committed, assigned and then unassigned fund balances.

All proprietary funds of the District apply all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee on Accounting Procedure.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's Enterprise Funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The District maintains its financial records on the cash basis. The financial statements of the District are prepared by making memorandum adjusting entries to the cash basis financial records.

D. Assets, Liabilities and Fund Equity

The following accounting policies are followed in preparing the financial statements:

Cash, Pooled Investments and Cash Equivalents – The cash balances of most District funds are pooled and invested. Investments are stated at fair value except for the investments in the Iowa Schools Joint Investment Trust and IPAS Education, which are valued at amortized cost, and non-negotiable certificates of deposit, which are stated at cost.

For purposes of the statement of cash flows, all short-term cash investments that are highly liquid are considered to be cash equivalents. Cash equivalents are readily convertible to known amounts of cash, and at the day of purchase, have a maturity date no longer than three months.

Property Tax Receivable – Property tax in the governmental funds are accounted for using the modified accrual basis of accounting.

Property tax receivable is recognized in these funds on the levy or lien date, which is the date that the tax asking is certified by the Board of Education. Delinquent property tax receivable represents unpaid taxes for the current and prior years. The succeeding year property tax receivable represents taxes certified by the Board of Education to be collected in the next fiscal year for the purposes set out in the budget for the next fiscal year. By statute, the District is required to certify its budget in April of each year for the subsequent fiscal year. However, by statute, the tax asking and budget certification for the following fiscal year becomes effective on the first day of that year. Although the succeeding year property tax receivable has been recorded, the related revenue is deferred in both the government-wide and fund financial statements and will not be recognized as revenue until the year for which it is levied.

Property tax revenue recognized in these funds become due and collectible in September and March of the fiscal year with a 1½% per month penalty for delinquent payments; is based on January 1, 2009 assessed property valuations; is for the tax accrual period July 1, 2010 through June 30, 2011 and reflects the tax asking contained in the budget certified to the County Board of Supervisors in April, 2010.

Interfund Receivables and Payables – During the course of its operations, the District may have certain transactions between funds or pooled cash balances. At June 30, 2011 there were no interfund receivable or payable amounts to report.

**Waukee Community School District**  
**Notes to Financial Statements**  
**Year Ended June 30, 2011**

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(1) *Summary of Significant Accounting Policies (continued from previous page)*

Due from Other Governments – Due from other governments represents amounts due from the State of Iowa, various shared revenues, grants and reimbursements from other governments.

Inventories – Inventories are valued at the moving average cost for purchased items and contributed value (fair value at the date received) for government commodities and other donated items. Inventories are recorded as expenses when consumed in the Government-wide financial statements and proprietary funds' financial statements. In the governmental fund financial statements, inventories are accounted for using the consumption method whereby inventory acquisitions are recorded in inventory accounts when purchased and are charged to operations when consumed or sold. Therefore, a reservation of governmental fund balance is required.

Capital Assets – Capital assets, which include property, furniture, and equipment, are reported in the applicable governmental or business type activities columns in the government-wide Statement of Net Assets. Capital assets are recorded at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are defined by the District as assets with an initial, individual cost in excess of the following thresholds and estimated useful lives in excess of two years.

<u>Asset Class</u>	<u>Amount</u>
Land	\$ 2,500
Buildings	2,500
Improvements other than buildings	2,500
Furniture and equipment:	
School Nutrition Fund equipment	500
Other furniture and equipment	2,500

Capital assets (with the exception of land and construction in progress, which are not depreciated) are depreciated using the straight line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives (In Years)</u>
Buildings	50 years
Improvements other than buildings	20 years
Furniture and equipment	5-20 years

Salaries and Benefits Payable - Payroll and related expenditures for teachers with annual contracts corresponding to the current school year, which are payable in July and August, have been accrued as liabilities.

Deferred and Unearned Revenue - Although certain revenues are measurable, they are not available. Available means collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred revenue in the governmental fund financial statements represent the amount of assets that have been recognized, but the related revenue has not been recognized since the assets are not collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year. Deferred revenue consists of the succeeding year's property tax receivable.

Unearned revenue on the Statement of Net Assets consists of the succeeding year's property tax receivable that will not be recognized as revenue until the year for which it is levied and other unearned proceeds.

Compensated Absences – District employees accumulate a limited amount of earned but unused vacation for subsequent use or for payment upon termination, death or retirement. A liability is recorded when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental fund financial statements only for employees that have resigned or retired. The compensated absences liability has been computed based on rates of pay in effect at June 30, 2011. The compensated absences liability attributable to the governmental activities will be paid primarily by the General Fund.

(1) *Summary of Significant Accounting Policies (continued from previous page)*

Long-term Liabilities – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities column in the Statement of Net Assets.

Fund Equity – In the governmental fund financial statements, fund balances are classified as follows:

*Restricted* – Amounts restricted to specific purposes when constraints placed on the use of the resources are either externally imposed by creditors, grantors or state or federal laws or imposed by law through constitutional provisions or enabling legislation.

*Committed* – Amounts which can be used only for specific purposes determined pursuant to constraints formally imposed by the Board of Education through resolution approved prior to year end. Those committed amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same action it employed to commit those amounts.

*Unassigned* – All amounts not included in other spendable classifications.

Restricted Net Assets – In the government-wide Statement of Net Assets, net assets are reported as restricted when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

E. Budgets and Budgetary Accounting

As allowed by GASB Statement No. 41, *Budgetary Comparison Schedules - Perspective Differences*, the District presents budgetary comparison schedules as required supplementary information based on the program structure of four functional areas as required by state statute for its legally adopted budget. During the year ended June 30, 2011, expenditures in the non-instruction functional area exceeded the amount budgeted.

(2) **Cash and Pooled Investments**

As of June 30, 2011, the carrying amount of the District's bank deposits and pooled investments totaled \$41,145,530 with actual bank balances of \$3,062,475 and investment balances of \$38,083,055. Of the bank balances, \$500,000 was covered by federal depository insurance and \$2,562,475 was collateralized by the State Sinking Fund in accordance with Chapter 12C of the Code of Iowa. This chapter provides for additional assessments against the depositories to insure there will be no loss of public funds.

The District is authorized by statute to invest public funds not currently needed for operating expenses in obligations of the United States government, its agencies and instrumentalities; certificates of deposit or other evidences of deposit at federally insured Iowa depository institutions approved by the Board; prime eligible bankers' acceptances; certain high rated commercial paper; perfected repurchase agreements; certain registered open-end management investment companies; and certain joint investment trusts. However, the District's investment policy additionally limits investments in commercial paper to obligations at the time of purchase rated within the two highest ratings issued by nationally recognized statistical rating organizations with a maturity less than 270 days, with no more than 5 percent at the time of purchase placed in the second highest classification and no more than 10 percent of the investment portfolio in these investments. The District's investment policy additionally limits investments in prime bankers' acceptances that mature within 270 days and that are eligible for purchase by a federal reserve bank, with no more than 10 percent of the investment portfolio in these investments.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy requires operating funds to be invested in investments that mature within 397 days or less. When investing other than operating funds, the investments must mature according to the needs of the funds. Operating funds of the District are funds which are reasonably expected to be used during a current budget year or within 15 months of receipt.

**Waukee Community School District  
Notes to Financial Statements  
Year Ended June 30, 2011**

(2) *Cash and Pooled Investments (continued from previous page)*

At June 30, 2011, the District had investments in the following:

Type	Amortized Cost/Fair Value
IPASeducation	\$ 29,407,945
Money Market Mutual Fund	92,111
Negotiable Certificates of Deposit	116,966
	<u>\$ 29,617,022</u>

The investments in the Iowa Schools Joint Investment Trust and IPASeducation are valued at an amortized cost pursuant to Rule 2a-7 under the Investment Company Act of 1940. The negotiable certificates of deposit and money market mutual fund are stated at fair value.

Credit risk: The investments in the Iowa Schools Joint Investment Trust were rated Aaa by Moody's Investors Service. The fair value of the District's position in these programs is the same as the value of the program shares. The investments in IPASeducation and the money market mutual fund are unrated. The District's investment policy does not formally address credit risk.

(3) **Interfund Transfers**

The detail of interfund transfers for the year ended June 30, 2011 is as follows:

Transfer to	Transfer from	Amount
Debt Service Fund	Capital Projects Fund: Statewide Sales, Services and Use Tax	\$ 4,737,883
Debt Service Fund	Capital Projects Fund: Physical Plant and Equipment Levy	1,853,469
Proprietary Fund: Community Education	General Fund	164,893
Capital Projects: Statewide Sales, Services and Use Tax	Capital Projects: Other	509,452
Capital Projects Fund: Physical Plant and Equipment Levy	Capital Projects: Other	34,687
		<u>\$ 7,300,384</u>

Transfers generally move revenues from the fund statutorily required to collect the resources to the fund statutorily required to expend the resources.

**Waukee Community School District  
Notes to Financial Statements  
Year Ended June 30, 2011**

**(4) Capital Assets**

Capital assets activity for the year ended June 30, 2011 is as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 5,510,945	-	-	5,510,945
Construction in progress	39,273,835	10,124,736	48,114,528	1,284,043
Total capital assets not being depreciated	44,784,780	10,124,736	48,114,528	6,794,988
Capital assets being depreciated:				
Buildings	109,312,340	46,417,919	-	155,730,259
Improvements other than buildings	5,509,364	1,365,763	-	6,875,127
Furniture and equipment	3,584,363	491,632	-	4,075,995
Total capital assets being depreciated	118,406,067	48,275,314	-	166,681,381
Less accumulated depreciation for:				
Buildings	15,108,691	2,850,751	-	17,959,442
Improvements other than buildings	1,762,538	308,679	-	2,071,217
Furniture and equipment	1,565,420	369,059	-	1,934,479
Total accumulated depreciation	18,436,649	3,528,489	-	21,965,138
Total capital assets being depreciated, net	99,969,418	44,746,825	-	144,716,243
Governmental activities capital assets, net	\$ 144,754,198	54,871,561	48,114,528	151,511,231
<b>Business type activities:</b>				
Furniture and equipment	\$ 1,837,724	1,066,384	2,856	2,901,252
Less accumulated depreciation	983,419	206,751	2,856	1,187,314
Business-type activities capital assets, net	\$ 854,305	859,633	-	1,713,938
Depreciation expense was charged by the District as follows:				
Governmental activities:				
Instruction:				
Regular				\$ 2,469,942
Special ed				105,853
Other				105,855
Support services:				
Student services				105,855
Instructional staff services				141,140
Administration				105,855
Operation and maintenance of plant				141,140
Transportation				35,285
Noninstructional				105,855
				3,316,780
Unallocated				211,709
Total depreciation expense - governmental activities				\$ 3,528,489
Business type activities:				
Food services				\$ 202,634
Community Daycare				4,117
				\$ 206,751

**Waukee Community School District  
Notes to Financial Statements  
Year Ended June 30, 2011**

**(5) Long-Term Liabilities**

Changes in long-term liabilities for the year ended June 30, 2011 are summarized as follows:

	Balance Beginning of Year	Additions	Reductions	Balance End of Year	Due Within One Year
<b>Governmental activities:</b>					
Capital loan notes	\$ 9,765,000	-	1,480,000	8,285,000	1,535,000
Revenue bonds	11,355,000	-	2,675,000	8,680,000	2,780,000
General obligation bonds	101,005,000	-	4,560,000	96,445,000	4,100,000
Bond discounts, net of amortization	(110,683)	-	(8,377)	(102,306)	(8,377)
Bond issuance costs, net of amortization	(168,302)	-	(13,523)	(154,779)	(13,523)
Bond premiums, net of amortization	686,972	-	81,058	605,914	81,058
Early retirement	561,690	142,123	122,854	580,959	134,206
Other post employment benefits payable	1,015,183	613,785	-	1,628,968	-
Compensated absences	190,498	187,591	190,498	187,591	187,591
Total governmental activities	\$ 124,300,358	943,499	9,087,510	116,156,347	8,795,955
<b>Business type activities:</b>					
Other post employment benefits payable	\$ 55,065	142,967	-	198,032	-
Compensated absences	8,888	11,558	8,888	11,558	11,558
Total business type activities	63,953	154,525	8,888	209,590	11,558
Total primary government	\$ 124,364,311	1,098,024	9,096,398	116,365,937	8,807,513

Capital Loan Notes Payable

Details of the District's June 30, 2011 capital loan note indebtedness are as follows:

Capital Loan Note of February 1, 2006				
Year ended June 30,	Rates	Principal	Interest	Total
2012	3.625%	\$ 1,535,000	321,669	1,856,669
2013	3.750%	1,590,000	266,025	1,856,025
2014	4.000%	1,655,000	206,400	1,861,400
2015	4.000%	1,720,000	140,200	1,860,200
2016	4.000%	1,785,000	71,400	1,856,400
Total		\$ 8,285,000	1,005,694	9,290,694

Revenue Bonds

Details of the District's June 30, 2011 statewide sales, services and use tax revenue bond indebtedness is as follows:

Bond Issue of January 1, 2007				
Year ended June 30,	Rates	Principal	Interest	Total
2012	4.250%	\$ 2,780,000	368,900	3,148,900
2013	4.250%	2,890,000	250,750	3,140,750
2014	4.250%	3,010,000	127,926	3,137,926
Total		\$ 8,680,000	747,576	9,427,576

The statewide sales, services and use tax revenue bonds were issued for the purpose of defraying a portion of the cost of school infrastructure. The bonds are payable solely from the proceeds of the statewide sales, services and use tax revenue received by the District. The bonds are not a general obligation of the District. However, the debt is subject to the constitutional debt limitation of the District.

**Waukee Community School District**  
**Notes to Financial Statements**  
**Year Ended June 30, 2011**

(5) *Long-Term Liabilities (continued from previous page)*

The resolution providing for the issuance of the statewide sales, services and use tax revenue bonds includes the following provisions:

- a) \$1,890,000 of the proceeds from the issuance of the revenue bonds shall be deposited to a reserve account to be used solely for the purpose of paying principal and interest on the bonds if insufficient money is available in the sinking account. The balance of the proceeds shall be deposited to the project account.
- b) All proceeds from the statewide sales, services and use tax shall be placed in a revenue account.
- c) Monies in the revenue account shall be disbursed to make deposits into a sinking account to pay the principal and interest requirements of the revenue bonds for the fiscal year.
- d) Any monies remaining in the revenue account after the required transfer to the sinking account may be transferred to the project account to be used for any lawful purpose.

The District complied with all of the revenue bond provisions during the year ended June 30, 2011.

General Obligation Bonds

Details of the District's June 30, 2011 general obligation bonded indebtedness are as follows:

June 1, 2004 Issue				
Year ended June 30,	Rates	Principal	Interest	Total
2012	4.000%	\$ 105,000	370,900	475,900
2013	4.000%	100,000	366,700	466,700
2014	4.000%	105,000	362,700	467,700
2015	3.800%	110,000	358,500	468,500
2016	3.900%	115,000	354,320	469,320
2017	4.000%	110,000	349,835	459,835
2018	4.100%	115,000	345,435	460,435
2019	4.150%	120,000	340,720	460,720
2020	4.300%	315,000	335,740	650,740
2021	4.400%	315,000	322,195	637,195
2022	4.400%	1,480,000	308,335	1,788,335
2023	4.400%	1,585,000	243,215	1,828,215
2024	4.500%	3,855,000	173,475	4,028,475
<b>Subtotal</b>		<b>8,430,000</b>	<b>4,232,070</b>	<b>12,662,070</b>

February 1, 2005 Issue				
Year ended June 30,	Rates	Principal	Interest	Total
2012	3.150%	\$ 300,000	156,788	456,788
2013	3.300%	300,000	147,337	447,337
2014	3.400%	300,000	137,438	437,438
2015	3.500%	300,000	127,237	427,237
2016	3.600%	300,000	116,738	416,738
2017	3.700%	325,000	105,937	430,937
2018	3.800%	325,000	93,913	418,913
2019	3.900%	325,000	81,562	406,562
2020	3.950%	325,000	68,888	393,888
2021	4.000%	325,000	56,050	381,050
2022	4.050%	350,000	43,050	393,050
2023	4.100%	350,000	28,875	378,875
2024	4.150%	350,000	14,525	364,525
<b>Subtotal</b>		<b>4,175,000</b>	<b>1,178,338</b>	<b>5,353,338</b>

Waukee Community School District  
Notes to Financial Statements  
Year Ended June 30, 2011

(5) Long-Term Liabilities  
General Obligation Bonds (continued from previous page)

March 1, 2005 Issue				
Year ended June 30,	Rates	Principal	Interest	Total
2012	3.450%	\$ 570,000	119,715	689,715
2013	3.450%	680,000	100,050	780,050
2014	3.450%	705,000	76,590	781,590
2015	3.450%	745,000	52,267	797,267
2016	3.450%	770,000	26,565	796,565
Subtotal		3,470,000	375,187	3,845,187

July 1, 2006 Refunding Bond Issue				
Year ended June 30,	Rates	Principal	Interest	Total
2012	4.25%	\$ 125,000	160,650	285,650
2013	4.25%	305,000	155,338	460,338
2014	4.25%	320,000	142,375	462,375
2015	4.25%	200,000	128,775	328,775
2016	4.25%	230,000	120,275	350,275
2017	4.25%	855,000	110,500	965,500
2018	4.25%	855,000	74,162	929,162
2019	4.25%	890,000	37,825	927,825
Subtotal		3,780,000	929,900	4,709,900

April 1, 2008 Refunding Bond Issue				
Year ended June 30,	Rates	Principal	Interest	Total
2012	3.250%	\$ 370,000	223,275	593,275
2013	3.500%	750,000	211,250	961,250
2014	3.500%	785,000	185,000	970,000
2015	3.500%	930,000	157,525	1,087,525
2016	3.750%	945,000	124,975	1,069,975
2017	3.500%	965,000	89,538	1,054,538
2018	3.625%	970,000	55,762	1,025,762
2019	4.000%	515,000	20,600	535,600
Subtotal		6,230,000	1,067,925	7,297,925

Waukee Community School District  
Notes to Financial Statements  
Year Ended June 30, 2011

(5) Long-Term Liabilities  
General Obligation Bonds (continued from previous page)

April 1, 2008 Issue				
Year ended June 30,	Rates	Principal	Interest	Total
2012	3.500%	\$ 275,000	257,996	532,996
2013	3.500%	285,000	248,371	533,371
2014	3.500%	300,000	238,396	538,396
2015	3.625%	315,000	227,896	542,896
2016	3.500%	325,000	216,478	541,478
2017	3.500%	340,000	205,102	545,102
2018	3.500%	355,000	193,202	548,202
2019	4.000%	375,000	180,778	555,778
2020	4.000%	390,000	165,778	555,778
2021	4.000%	410,000	150,178	560,178
2022	3.650%	425,000	133,778	558,778
2023	3.700%	445,000	118,265	563,265
2024	4.000%	465,000	101,800	566,800
2025	4.000%	485,000	83,200	568,200
2026	4.000%	510,000	63,800	573,800
2027	4.000%	530,000	43,400	573,400
2028	4.000%	555,000	22,200	577,200
Subtotal		6,785,000	2,650,618	9,435,618

May 1, 2009 Issue				
Year ended June 30,	Rates	Principal	Interest	Total
2012	3.000%	\$ 1,150,000	2,055,081	3,205,081
2013	3.000%	1,200,000	2,020,581	3,220,581
2014	4.000%	1,285,000	1,984,581	3,269,581
2015	3.500%	1,335,000	1,933,181	3,268,181
2016	3.500%	1,385,000	1,886,456	3,271,456
2017	4.000%	1,445,000	1,837,981	3,282,981
2018	4.000%	1,500,000	1,780,181	3,280,181
2019	4.000%	1,560,000	1,720,181	3,280,181
2020	4.000%	1,560,000	1,657,781	3,217,781
2021	4.000%	1,625,000	1,595,381	3,220,381
2022	4.000%	1,690,000	1,530,381	3,220,381
2023	4.125%	1,765,000	1,462,781	3,227,781
2024	4.375%	1,840,000	1,389,975	3,229,975
2025	4.625%	6,320,000	1,309,475	7,629,475
2026	4.625%	6,620,000	1,017,175	7,637,175
2027	5.000%	6,940,000	711,000	7,651,000
2028	5.000%	7,280,000	364,000	7,644,000
Subtotal		46,500,000	26,256,172	72,756,172

Waukee Community School District  
Notes to Financial Statements  
Year Ended June 30, 2011

(5) Long-Term Liabilities  
General Obligation Bonds (continued from previous page)

Refunding Bond Issue Series 2009B dated July 23, 2009				
Year ended June 30,	Rates	Principal	Interest	Total
2012	3.850%	\$ 145,000	81,468	226,468
2013	3.850%	150,000	75,885	225,885
2014	3.850%	150,000	70,110	220,110
2015	3.850%	150,000	64,335	214,335
2016	3.850%	155,000	58,560	213,560
2017	3.850%	200,000	52,592	252,592
2018	3.850%	205,000	44,892	249,892
2019	4.000%	400,000	37,000	437,000
2020	4.000%	525,000	21,000	546,000
Subtotal		2,080,000	505,842	2,585,842

Refunding Bond Issue Series 2010 dated April 1, 2010				
Year ended June 30,	Rates	Principal	Interest	Total
2012	2.000%	\$ 1,060,000	470,850	1,530,850
2013	3.000%	470,000	449,650	919,650
2014	2.000%	480,000	435,550	915,550
2015	2.000%	490,000	425,950	915,950
2016	3.000%	505,000	416,150	921,150
2017	3.000%	685,000	401,000	1,086,000
2018	3.000%	765,000	380,450	1,145,450
2019	3.000%	1,090,000	357,500	1,447,500
2020	3.250%	2,380,000	324,800	2,704,800
2021	3.500%	3,045,000	247,450	3,292,450
2022	3.500%	2,005,000	140,875	2,145,875
2023	3.500%	2,020,000	70,700	2,090,700
Subtotal		14,995,000	4,120,925	19,115,925

**Waukee Community School District**  
**Notes to Financial Statements**  
**Year Ended June 30, 2011**

(5) *Long-Term Liabilities*  
*General Obligation Bonds (continued from previous page)*

Year ended June 30,	Totals		
	Principal	Interest	Total
2012	\$ 4,100,000	3,896,723	7,996,723
2013	4,240,000	3,775,162	8,015,162
2014	4,430,000	3,632,740	8,062,740
2015	4,575,000	3,475,666	8,050,666
2016	4,730,000	3,320,517	8,050,517
2017	4,925,000	3,152,485	8,077,485
2018	5,090,000	2,967,997	8,057,997
2019	5,275,000	2,776,166	8,051,166
2020	5,495,000	2,573,987	8,068,987
2021	5,720,000	2,371,254	8,091,254
2022	5,950,000	2,156,419	8,106,419
2023	6,165,000	1,923,836	8,088,836
2024	6,510,000	1,679,775	8,189,775
2025	6,805,000	1,392,675	8,197,675
2026	7,130,000	1,080,975	8,210,975
2027	7,470,000	754,400	8,224,400
2028	7,835,000	386,200	8,221,200
<b>Total</b>	<b>\$ 96,445,000</b>	<b>41,316,977</b>	<b>137,761,977</b>

Advance Refundings

On July 23, 2010, the District issued refunding bonds in the amount of \$2,395,000 to advance the refund to March 1, 2001 General Obligation Bonds. These 2001 existing bonds were called by the District on July 24, 2010 and paid in their entirety.

On April 1, 2010, the District issued refunding bonds in the amount of \$15,915,000 to advance refund three general obligation bond issues dated April 1, 2001, November 15, 2002 and June 1, 2003. These three existing bond issued were called by the District on June 1, 2010 and paid in their entirety.

Early Retirement

The District offers a voluntary early retirement plan to its employees. Eligible employees must be at least 55 years old on June 30 and employees must have completed 10 years of continuous service to the District. Employees must complete an application which is required to be approved by the Board of Education.

The early retirement incentive for each eligible employee is equal to 50% of the current year's salary. In addition, the District will pay an amount equal to \$4,500 per year towards the cost of medical insurance until the employee becomes eligible for Medicare. The early retirement cash benefits will be paid in July following the start of retirement into a tax shelter annuity of the employer's choice. Early retirement benefits are paid by the Special Revenue, Management Levy Fund.

At June 30, 2011, the District has obligations to 37 participants with a total liability of \$580,959. Actual early retirement expenditures for the year ended June 30, 2011 totaled \$122,854. The long-term portion of early retirement is recorded as a long-term liability of the Governmental Activities in the government-wide financial statements.

**(6) Operating Lease**

The District is obligated under an equipment lease for one truck. This lease is accounted for as an operating lease. Operating leases do not give rise to property rights or lease obligations and therefore are not included as capital assets or long-term liabilities in the District-wide financial statements. The agreement provides for monthly lease payments of \$473 for the truck.

The total annual lease payments under the lease agreement are as follows:

Year ending June 30,	Truck Lease
2012	\$ 5,672
2013	473
	\$ 6,145

The total payments under the lease agreement for the year ended June 30, 2011 were \$5,203.

**(7) Other Post-Employment Benefits (OPEB)**

Plan Description - The District operates a single-employer retiree benefit plan which provides medical and prescription drug benefits for retirees and their spouses. There are 687 active and 37 retired members in the plan. Participants must be age 55 or older at retirement and must have been employed full time by the District for a minimum of 15 consecutive years prior to the retirement year.

The medical/prescription drug coverage provides eligible retirees with health care coverage through one of two medical plans offered through Wellmark: Blue Access HMO and Alliance Select PPO. Retirees under age 65 pay the same premium for the medical/prescription drug benefit as active employees, which results in an implicit subsidy and an OPEB liability.

Funding Policy - The contribution requirements of plan members are established and may be amended by the District. The District currently finances the retiree benefit plan on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation - The District's annual OPEB cost is calculated based on the annual required contribution (ARC) of the District, an amount actuarially determined in accordance with GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The following table shows the components of the District's annual OPEB cost for the years ended June 30, 2011, 2010 and 2009 the amount actually contributed to the plan and changes in the District's net OPEB obligation:

	2011	2010	2009
Annual required contribution	\$ 1,042,000	628,000	628,000
Interest on net OPEB obligation	48,000	26,600	-
Adjustment to annual required contribution	(41,000)	(20,352)	-
Annual OPEB cost	1,049,000	634,248	628,000
Contributions made	(292,248)	(96,000)	(96,000)
Increase in net OPEB obligation	756,752	538,248	532,000
Net OPEB obligation beginning of year	1,070,248	532,000	-
Net OPEB obligation end of year	\$ 1,827,000	1,070,248	532,000

For calculation of the net OPEB obligation, the actuary has set the transition day as July 1, 2010. The end of year net OPEB obligation was calculated by the actuary as the cumulative difference between the actuarially determined funding requirements and the actual contributions for the year ended June 30, 2011.

**Waukee Community School District  
Notes to Financial Statements  
Year Ended June 30, 2011**

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(7) *Other Post-Employment Benefits (OPEB)* (continued from previous page)

For the year ended June 30, 2011, the District contributed \$292,248. Retiree and active members receiving benefits contributed \$198,000 through their required contribution based on which plan the employee belongs to and whether single or family coverage is elected.

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation as of June 30, 2011 are summarized as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2009	\$ 628,000	15.30%	\$ 532,000
June 30, 2010	634,248	15.14%	1,070,248
June 30, 2011	1,049,000	27.86%	1,827,000

Funded Status and Funding Progress - As of July 1, 2010, the most recent actuarial valuation date for the period July 1, 2010 through June 30, 2011, the actuarial accrued liability was \$5,253,000, with no actuarial value of assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$5,253,000. The covered payroll (annual payroll of active employees covered by the plan) was approximately \$31,893,162, and the ratio of the UAAL to covered payroll was 16.5%. As of June 30, 2011, there were no trust fund assets.

Actuarial Methods and Assumptions - Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The Schedule of Funding Progress, presented as Required Supplementary Information in the section following the Notes to Financial Statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the plan as understood by the employer and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

As of the July 1, 2010 actuarial valuation date, the unit credit actuarial cost method was used. The actuarial assumption includes a 4.5% discount rate based on the District's funding policy. The projected annual medical trend rate is 11%. The ultimate medical trend rate is 5%. The medical trend rate is reduced 0.5% each year until reaching the 5% ultimate trend rate.

Mortality rates are from the RP2000 Group Annuity Mortality Table, applied on a gender-specific basis. Annual retirement and termination probabilities were developed from the retirement probabilities from the IPERS Actuarial Report as of June 30, 2010 and applying the termination factors used in the IPERS Actuarial Report as of June 30, 2010.

The District will pay an amount not to exceed \$4,500 per year toward the cost of the single medical insurance premium. Premium amounts in excess of \$4,500 annually will be the responsibility of the retiree. This allowance is available each year until the employee becomes eligible for Medicare. Employees may not choose to receive the insurance allowance in cash in lieu of medical coverage.

There are currently 33 grandfathered retirees receiving a subsidy for the District under different retirement provisions. Below is a description of the monthly subsidy levels by retirement year paid by the District.

**Wauke Community School District  
Notes to Financial Statements  
Year Ended June 30, 2011**

(7) *Other Post-Employment Benefits (OPEB) (continued from previous page)*

Date Retired	HMO	PPO
Through 6/30/06	100% of current premium	100% of current premium
7/1/06 thru 6/30/07	\$ 270.46	\$ 338.71
7/1/07 thru 6/30/08	265.05	331.94
7/1/08 thru 6/30/09	261.96	339.45

The salary increase rate was assumed to be 3.5% per year. The UAAL is being amortized as a level percentage of projected payroll expense on an open basis over 30 years.

(8) **Pension and Retirement Benefits**

The District contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 4.50% of their annual covered salary and the District is required to contribute 6.95% of annual covered salary. Contribution requirements are established by state statute. The District's contribution to IPERS for the years ended June 30, 2011, 2010 and 2009 were \$2,389,224, \$2,168,869, and \$1,888,530, respectively, equal to the required contributions for each year.

(9) **Risk Management**

Wauke Community School District is exposed to various risks of loss related to torts; theft; damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by the purchase of commercial insurance. The District assumes liability for any deductibles and claims in excess of coverage limitations. During the year ended June 30, 2011, there were no significant reductions in coverage. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Partial Self-Funded Dental Insurance Plan

The District began a partial self-funded dental insurance plan during the year ended June 30, 2005. The plan is administered through a service agreement with Seabury and Smith. The District assumes liability for a maximum of the first \$1,000 of dental claims for each employee who participates in the plan. Employees participating in the plan are charged a premium each year to cover any estimated costs of the plan. The District reports the plan in the Internal Service, Self-Funded Dental Plan Fund. There was no claims liability at June 30, 2011.

A reconciliation of changes in the aggregate liabilities for claims for year ending is as follows:

	2011	2010
Unpaid claims at beginning of year	\$ -	-
Incurred claims	226,255	205,582
Payment	226,255	205,582
Unpaid claims at end of year	\$ -	-

(10) **Area Education Agency**

The District is required by the Code of Iowa to budget for its share of special education support, media and educational services provided through the area education agency. The District's actual amount for this purpose totaled \$2,496,394 for the year ended June 30, 2011 and is recorded in the General Fund by making a memorandum adjusting entry to the financial statements.

**Waukee Community School District  
Notes to Financial Statements  
Year Ended June 30, 2011**

**(11) Construction Commitments**

The District entered into contracts totaling \$15,000,000 for the construction of a high school addition. As of June 30, 2011, costs of \$1,284,043 had been incurred against the contracts. The balance of \$13,715,957 remaining at June 30, 2011 will be paid as work on the projects progresses.

Project	Contract Amount	Costs through June 30, 2011
High School Addition	\$ 15,000,000	1,284,043

**(12) Disaggregation of Receivables and Payables**

Receivables and payables are disaggregated on the face of the basic financial statements. All receivables are expected to be collected within the next year.

**(13) Accounting Change/Restatement**

Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, was implemented during the year ended June 30, 2011. The effect of fund type reclassifications is as follows:

	Capital Projects	Special Revenue, Physical Plant and Equipment Levy
Balances June 30, 2010, as previously reported	\$ 17,544,620	3,346,254
Change in fund type classification per implementation of GASB Statement No. 54	3,346,254	(3,346,254)
Balances July 1, 2010, as restated	\$ 20,890,874	-

Corrections were also made to capital asset records in both the governmental activities as well as the business-type activities. The effect of those corrections is as follows:

	Governmental Activities	Business-type Activities
Net asset balances June 30, 2010, as previously reported	\$ 52,133,860	2,706,180
Adjustment for correction to prior year accounts payable	343,752	-
Adjustment for correction to capital asset records of prior year	(93,381)	16,814
Net asset balances July 1, 2010, as restated	\$ 52,384,231	2,722,994

**(14) Subsequent Events**

On July 13, 2011, general obligation school bonds in the amount of \$10,000,000 were issued for the completion of the high school addition construction project. This additional debt added to the existing debt is under the legal debt limit of \$198,319,011 allowed for the District.

**Required Supplementary Information**

**Waukee Community School District**  
**Schedule or Funding Progress for the Retiree Health Plan**  
**Required Supplementary Information**  
**Year ended June 30, 2011**

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Year Ended June 30,	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2009	July 1, 2008	\$ -	4,313,000	4,313,000	0.0%	33,169,000	13.0%
2010	July 1, 2008	-	4,313,000	4,313,000	0.0%	30,666,502	14.1%
2011	July 1, 2010	-	5,253,000	5,253,000	0.0%	31,893,162	16.5%

See Note 7 in the accompanying Notes to Financial Statements for the plan description, funding policy, annual OPEB cost, net OPEB obligation, funded status and funding progress.

See accompanying independent auditor's report.

**Waukee Community School District**  
**Budgetary Comparison Schedule of Revenues, Expenditures and Changes in Balances**  
**Budget and Actual - All Governmental Funds and Proprietary Funds**  
**Required Supplementary Information**  
**Year ended June 30, 2011**

	Governmental Funds Actual	Proprietary Funds Actual	Total Actual	Budgeted Amounts Original and Final	Final to Actual Variance- Positive (Negative)
Revenues:					
Local sources	\$ 48,013,005	4,513,517	52,526,522	46,787,558	5,738,964
State sources	26,672,882	24,211	26,697,093	33,140,995	(6,443,902)
Federal sources	2,788,705	769,312	3,558,017	470,000	3,088,017
Total revenues	<u>77,474,592</u>	<u>5,307,040</u>	<u>82,781,632</u>	<u>80,398,553</u>	<u>2,383,079</u>
Expenditures:					
Instruction	37,871,852	-	37,871,852	38,500,000	628,148
Support services	16,660,016	81,528	16,741,544	25,625,000	8,883,456
Noninstructional programs	-	4,475,183	4,475,183	3,800,000	(675,183)
Other expenditures	27,012,954	-	27,012,954	54,937,608	27,924,654
Total expenditures	<u>81,544,822</u>	<u>4,556,711</u>	<u>86,101,533</u>	<u>122,862,608</u>	<u>36,761,075</u>
Excess (deficiency) of revenues over (under) expenditures	(4,070,230)	750,329	(3,319,901)	(42,464,055)	39,144,154
Other financing sources (uses), net	(164,893)	164,893	-	8,142,931	(8,142,931)
Excess (deficiency) of revenues and other financing sources over (under) expenditures	(4,235,123)	915,222	(3,319,901)	(34,321,124)	31,001,223
Balances beginning of year	<u>32,221,678</u>	<u>2,722,994</u>	<u>34,944,672</u>	<u>77,080,326</u>	<u>(42,135,654)</u>
Balances end of year	<u>\$ 27,986,555</u>	<u>3,638,216</u>	<u>31,624,771</u>	<u>42,759,202</u>	<u>(11,134,431)</u>

See accompanying independent auditor's report.

**(1) Basis of Presentation**

The District operates within the budget requirements for school districts as specified by state law and as prescribed by the Iowa Department of Management. Budgets are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

For the fiscal year beginning July 1, a proposed budget is adopted by the Board and filed with the County Auditor no later than April 15. The budget is certified by the County Auditor to the Department of Management.

Once adopted, the budget can be amended by the Board. The amendment must be published and a public hearing conducted prior to the amendment. Any amendments must be certified to the County Auditor no later than May 31. The proposed expenditure budget is advertised in the local newspaper, together with a notice of public hearing.

The legal level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the functional area for a budgeted governmental, enterprise and private purpose trust funds in total, rather than by individual fund type. Formal and legal budgetary control is based on four major classes of expenditures known as functional areas. These four functional areas are instruction, support services, non-instructional programs and other expenditures. During the year ended June 30, 2011, the District over-expended the non-instructional functional area by \$675,183. The Code of Iowa also provides that District expenditures in the General Fund may not exceed the amount authorized by the school finance formula. Authorized expenditures cannot exceed the lesser of the certified budget plus any allowable amendments, or the authorized budget, which is the sum of the District's cost for that year plus the actual miscellaneous income received for that year plus the actual unspent balance from the preceding year. Appropriations, as adopted and amended, lapse at the end of the fiscal year.

The District is required by the Code of Iowa to budget for its share of media, education services and special education support provided through the local area education agency. The District's actual amount for this purpose totaled \$2,496,394 for the year ended June 30, 2011.

**Other Supplementary Information**

## Schedule 1

**Waukee Community School District**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2011**

	Special Revenue		
	Management	Student Activity	Total
<b>Assets</b>			
Current assets:			
Cash and pooled investments	\$ 2,886,113	571,081	3,457,194
Receivables:			
Property tax:			
Current year delinquent	12,017	-	12,017
Succeeding year	1,000,006	-	1,000,006
<b>Total assets</b>	<b>\$ 3,898,136</b>	<b>571,081</b>	<b>4,469,217</b>
<b>Liabilities and Fund Balances</b>			
Current liabilities:			
Excess of warrants over bank balance	\$ -	7,589	7,589
Accounts payable	10,280	16,385	26,665
Early retirement payable	111,502	-	111,502
Deferred revenue:			
Succeeding year property tax	1,000,006	-	1,000,006
Total liabilities	<u>1,121,788</u>	<u>23,974</u>	<u>1,145,762</u>
Fund balances:			
Restricted for:			
Management levy purposes	2,776,348	-	2,776,348
Student activities	-	547,107	547,107
Total fund balances	<u>2,776,348</u>	<u>547,107</u>	<u>3,323,455</u>
<b>Total liabilities and fund balances</b>	<b>\$ 3,898,136</b>	<b>571,081</b>	<b>4,469,217</b>

See accompanying independent auditor's report.

## Schedule 2

**Waukee Community School District**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**Year ended June 30, 2011**

	Special Revenue		
	Management	Student Activity	Total
Revenues:			
Local sources:			
Local tax	1,993,384	-	1,993,384
Other	85,249	926,240	1,011,489
State sources	344	-	344
Total revenues	<u>2,078,977</u>	<u>926,240</u>	<u>3,005,217</u>
Expenditures:			
Current:			
Instruction:			
Regular	498,335	-	498,335
Co-curricular	-	851,849	851,849
Support Services:			
Administration	77,534	-	77,534
Plant operation and maintenance	221,745	-	221,745
Total expenditures	<u>797,614</u>	<u>851,849</u>	<u>1,649,463</u>
Excess of revenues over expenditures	1,281,363	74,391	1,355,754
Fund balances beginning of year, as restated	<u>1,494,985</u>	<u>472,716</u>	<u>1,967,701</u>
Fund balances end of year	<u>\$ 2,776,348</u>	<u>547,107</u>	<u>3,323,455</u>

See accompanying independent auditor's report.

## Schedule 3

**Waukee Community School District**  
**Combining Balance Sheet**  
**Capital Project Accounts**  
**June 30, 2011**

	Capital Projects			Total
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Other Capital Projects	
<b>Assets</b>				
Cash and pooled investments	\$ 6,292,227	4,676,896	6,199,684	17,168,807
Receivables:				
Property tax:				
Current year delinquent	-	26,489	-	26,489
Succeeding year	-	4,397,859	-	4,397,859
Due from other governments	801,223	-	-	801,223
<b>Total assets</b>	<b>\$ 7,093,450</b>	<b>9,101,244</b>	<b>6,199,684</b>	<b>22,394,378</b>
<b>Liabilities and Fund Balances</b>				
Liabilities:				
Excess of warrants over bank balance	\$ -	-	3,903,850	3,903,850
Accounts Payable	26,190	59,627	930,012	1,015,829
Deposits payable	-	-	100,000	100,000
Deferred revenue:				
Succeeding year property tax	-	4,397,859	-	4,397,859
Total liabilities	26,190	4,457,486	4,933,862	9,417,538
Fund balances:				
Restricted for:				
Debt service	1,895,241	-	-	1,895,241
School infrastructure	5,172,019	-	1,265,822	6,437,841
Physical plant and equipment	-	4,643,758	-	4,643,758
Total fund balances	7,067,260	4,643,758	1,265,822	12,976,840
<b>Total liabilities and fund balances</b>	<b>\$ 7,093,450</b>	<b>9,101,244</b>	<b>6,199,684</b>	<b>22,394,378</b>

See accompanying independent auditor's report.

## Schedule 4

**Waukee Community School District**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Capital Project Accounts**  
**Year ended June 30, 2011**

	Capital Projects			Total
	Statewide Sales, Services and Use Tax	Physical Plant and Equipment Levy	Other Capital Projects	
Revenues:				
Local sources:				
Local tax	5,585,731	4,135,694	-	9,721,425
Other	7,804	3,125	255,254	266,183
State sources	-	638	-	638
Total revenues	<u>5,593,535</u>	<u>4,139,457</u>	<u>255,254</u>	<u>9,988,246</u>
Expenditures:				
Current:				
Support services:				
Administration	1,374	477,606	880	479,860
Other expenditures:				
Facilities acquisition	267,828	545,565	10,017,675	10,831,068
Total expenditures	<u>269,202</u>	<u>1,023,171</u>	<u>10,018,555</u>	<u>11,310,928</u>
Excess (deficiency) of revenues over (under) expenditures	5,324,333	3,116,286	(9,763,301)	(1,322,682)
Other financing sources (uses):				
Operating transfers in	509,452	34,687	-	544,139
Operating transfers out	(4,737,883)	(1,853,469)	(544,139)	(7,135,491)
Total other financing uses	<u>(4,228,431)</u>	<u>(1,818,782)</u>	<u>(544,139)</u>	<u>(6,591,352)</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	1,095,902	1,297,504	(10,307,440)	(7,914,034)
Fund balances beginning of year, as restated	<u>5,971,358</u>	<u>3,346,254</u>	<u>11,573,262</u>	<u>20,890,874</u>
Fund balances end of year	<u>\$ 7,067,260</u>	<u>4,643,758</u>	<u>1,265,822</u>	<u>12,976,840</u>

See accompanying independent auditor's report.

**Waukee Community School District**  
**Combining Schedule of Net Assets**  
**Proprietary Funds**  
**June 30, 2011**

	Business Type Activities				Governmental Activities		
	Nonmajor Enterprise Funds				Internal Service Funds		
	School Nutrition	Community Daycare	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Total
<b>Assets</b>							
Current assets:							
Cash and pooled investments	\$ 1,393,413	763,213	10,783	2,167,409	120,854	170,297	291,151
Receivables:							
Accounts	-	5,165	455	5,620	34,393	-	34,393
Inventories	79,843	4,636	-	84,479	-	-	-
Total current assets	1,473,256	773,014	11,238	2,257,508	155,247	170,297	325,544
Noncurrent assets:							
Capital assets:							
Equipment	2,858,309	42,943	-	2,901,252	-	-	-
Accumulated depreciation	(1,175,399)	(11,915)	-	(1,187,314)	-	-	-
Total noncurrent assets	1,682,910	31,028	-	1,713,938	-	-	-
<b>Total assets</b>	<b>3,156,166</b>	<b>804,042</b>	<b>11,238</b>	<b>3,971,446</b>	<b>155,247</b>	<b>170,297</b>	<b>325,544</b>
<b>Liabilities</b>							
Current liabilities:							
Accounts payable	8,101	9,992	2,738	20,831	62,937	-	62,937
Salaries and benefits payable	7,812	19,176	11,385	38,373	-	-	-
Unearned revenue	64,436	-	-	64,436	-	-	-
Compensated absences	4,545	6,347	666	11,558	-	-	-
Total current liabilities	84,894	35,515	14,789	135,198	62,937	-	62,937
Non-current liabilities:							
Other post employment benefits payable	129,892	63,881	4,259	198,032	-	-	-
<b>Total liabilities</b>	<b>214,786</b>	<b>99,396</b>	<b>19,048</b>	<b>333,230</b>	<b>62,937</b>	<b>-</b>	<b>62,937</b>
<b>Net Assets</b>							
Invested in capital assets	1,682,910	31,028	-	1,713,938	-	-	-
Unrestricted	1,258,470	673,618	(7,810)	1,924,278	92,310	170,297	262,607
<b>Total net assets</b>	<b>\$ 2,941,380</b>	<b>704,646</b>	<b>(7,810)</b>	<b>3,638,216</b>	<b>92,310</b>	<b>170,297</b>	<b>262,607</b>

See accompanying independent auditor's report

**Waukee Community School District**  
**Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**Year ended June 30, 2011**

	Business Type Activities				Governmental Activities		
	Nonmajor Enterprise Funds				Internal Service Funds		
	School Nutrition	Community Daycare	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Total
Operating revenue:							
Local sources:							
Charges for services	\$ 2,447,045	910,638	98,503	3,456,186	515,452	291,101	806,553
Operating expenses:							
Support services:							
Administration:							
Purchased services	3,024	20,889	41,326	65,239	-	-	-
Operation and maintenance:							
Supplies	3,939	-	-	3,939	-	-	-
Transportation:							
Purchased services	-	12,350	-	12,350	-	-	-
	6,963	33,239	41,326	81,528	-	-	-
Non-instructional programs:							
Food service operations:							
Salaries	1,125,376	-	-	1,125,376	-	-	-
Benefits	462,747	-	-	462,747	-	-	-
Purchased services	105,370	-	-	105,370	-	-	-
Supplies	1,540,909	-	-	1,540,909	-	-	-
Other	19,107	-	-	19,107	-	-	-
Depreciation	202,634	-	-	202,634	-	-	-
	3,456,143	-	-	3,456,143	-	-	-
Other enterprise operations:							
Salaries	-	545,278	171,423	716,701	-	-	-
Benefits	-	154,770	35,627	190,397	525,631	226,255	751,886
Purchased services	-	566	2,620	3,186	-	-	-
Supplies	-	85,836	18,803	104,639	-	-	-
Depreciation	-	4,117	-	4,117	-	-	-
	-	790,567	228,473	1,019,040	525,631	226,255	751,886
	3,456,143	790,567	228,473	4,475,183	525,631	226,255	751,886
Total operating expenses	3,463,106	823,806	269,799	4,556,711	525,631	226,255	751,886
Operating income (loss)	(1,016,061)	86,832	(171,296)	(1,100,525)	(10,179)	64,846	54,667

**Waukee Community School District**  
**Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**Year ended June 30, 2011**

	Business Type Activities				Governmental Activities		
	Nonmajor Enterprise Funds				Internal Service Funds		
	School Nutrition	Community Daycare	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Total
<i>Continued from previous page</i>							
Non-operating revenues:							
Interest on investments	1,596	1,948	2	3,546	-	-	-
Contributions	-	500	-	500	-	-	-
State sources	24,211	-	-	24,211	-	-	-
Federal sources	581,103	-	-	581,103	-	-	-
Federal food commodities revenue	188,209	-	-	188,209	-	-	-
Total non-operating revenues	795,119	2,448	2	797,569	-	-	-
Income (loss) before transfers and contributions	(220,942)	89,280	(171,294)	(302,956)	(10,179)	64,846	54,667
Contributions and transfers:							
Capital contributions	1,053,285	-	-	1,053,285	-	-	-
Transfer in	-	-	164,893	164,893	-	-	-
Total contributions and transfers	1,053,285	-	164,893	1,218,178	-	-	-
Changes in net assets	832,343	89,280	(6,401)	915,222	(10,179)	64,846	54,667
Net assets beginning of year, as restated	2,109,037	615,366	(1,409)	2,722,994	102,489	105,451	207,940
Net assets end of year	\$ 2,941,380	704,646	(7,810)	3,638,216	92,310	170,297	262,607

See accompanying independent auditor's report.

**Waukee Community School District**  
**Combining Schedule of Cash Flows**  
**Proprietary Funds**  
**Year ended June 30, 2011**

	Business Type Activities				Governmental Activities		
	Nonmajor Enterprise Funds				Internal Service Funds		
	School Nutrition	Community Daycare	Community Education	Total	Flexible Benefits	Self-funded Dental Plan	Total
<b>Cash flows from operating activities:</b>							
Cash received from sale of lunches and breakfasts	\$ 2,460,939	-	-	2,460,939	-	-	-
Cash received from miscellaneous operating activities	-	911,241	109,426	1,020,667	481,059	291,179	772,238
Cash payments to employees for services	(1,499,192)	(635,925)	(205,104)	(2,340,221)	(462,694)	(226,255)	(688,949)
Cash payments to suppliers for goods or services	(1,516,648)	(114,549)	(60,171)	(1,691,368)	-	-	-
Net cash provided (used) by operating activities	(554,901)	160,767	(155,849)	(549,983)	18,365	64,924	83,289
<b>Cash flows from non-capital financing activities:</b>							
Contributions	-	500	-	500	-	-	-
Transfers in	-	-	164,893	164,893	-	-	-
State grants received	24,211	-	-	24,211	-	-	-
Federal grants received	581,103	-	-	581,103	-	-	-
Net cash provided by non-capital financing activities	605,314	500	164,893	770,707	-	-	-
<b>Cash flows from capital and related financing activities:</b>							
Acquisition of capital assets	(7,187)	(5,912)	-	(13,099)	-	-	-
Net cash used by capital and related financing activities	(7,187)	(5,912)	-	(13,099)	-	-	-
<b>Cash flows from investing activities:</b>							
Interest on investments	1,596	1,948	2	3,546	-	-	-
Net increase in cash and cash equivalents	44,822	157,303	9,046	211,171	18,365	64,924	83,289
Cash and cash equivalents at beginning of year	1,348,591	605,910	1,737	1,956,238	102,489	105,373	207,862
Cash and cash equivalents at end of year	\$ 1,393,413	763,213	10,783	2,167,409	120,854	170,297	291,151
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>							
Operating income (loss)	\$ (1,016,061)	86,832	(171,296)	(1,100,525)	(10,179)	64,846	54,667
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Commodities used	188,209	-	-	188,209	-	-	-
Depreciation	202,634	4,117	-	206,751	-	-	-
Decrease (increase) in accounts receivable	102	603	10,923	11,628	(34,393)	78	(34,315)
Decrease (increase) in inventories	(13,111)	1,062	-	(12,049)	-	-	-
Increase (decrease) in accounts payable	(19,397)	4,030	2,578	(12,789)	62,937	-	62,937
Increase (decrease) in salaries and benefits payable	(3,618)	14,551	(1,570)	9,363	-	-	-
Increase in unearned revenue	13,792	-	-	13,792	-	-	-
Increase (decrease) in compensated absences payable	779	2,634	(743)	2,670	-	-	-
Increase in other post employment benefits payable	91,770	46,938	4,259	142,967	-	-	-
Net cash provided (used) by operating activities	\$ (554,901)	160,767	(155,849)	(549,983)	18,365	64,924	83,289
<b>Reconciliation of cash and cash equivalents at year end to specific assets included on Combined Balance Sheet:</b>							
<b>Current assets:</b>							
Cash and investments	\$ 1,393,413	763,213	10,783	2,167,409	120,854	170,297	291,151
Cash and cash equivalents at year end	\$ 1,393,413	763,213	10,783	2,167,409	120,854	170,297	291,151
<b>Non-cash investing, capital and financing activities:</b>							
Noncapital financing activities, commodities received from the US Department of Agriculture	\$ 188,209	-	-	188,209	-	-	-
Capital and related financing activities, capital contributions	1,053,285	-	-	1,053,285	-	-	-

See notes to financial statements.

**Waukee Community School District**  
**Schedule of Changes in Special Revenue Fund, Student Activity Accounts**  
**Year ended June 30, 2011**

Account	Balance beginning of Year	Revenues	Expenditures	Balance End of Year
<b>High School:</b>				
Alumni	\$ 12,040	-	-	12,040
Ambassadors	78	-	-	78
Art Club	1,878	-	-	1,878
Athletics	25,555	352,190	271,752	105,993
Auditorium	181	-	-	181
Baseball	6,329	6,372	3,623	9,078
Best Buddies	60	598	300	358
Boys Basketball	(5,265)	25,103	14,107	5,731
Boys Bowling	20	212	210	22
Boys Cross Country	3,050	11,231	6,376	7,905
Boys Golf	(493)	5,175	4,217	465
Boys Soccer	(964)	8,147	5,195	1,988
Boys Swimming	10	2,018	1,038	990
Boys Tennis	-	143	62	81
Boys Track	1,721	8,688	8,140	2,269
Cheerleaders	13,300	48,628	58,127	3,801
Class of 2009	587	-	-	587
Class of 2010	3,740	-	-	3,740
Class of 2011	5,785	5,918	6,480	5,223
Class of 2012	8,124	5,593	1,669	12,048
Class of 2013	5,190	5,220	442	9,968
Class of 2014	-	5,895	-	5,895
Dance/Drill Team	22,970	40,164	46,926	16,208
Debate	-	200	-	200
Drama	968	4,038	2,811	2,195
Drumline	73	-	-	73
Earth Club	425	50,144	50,275	294
Electrathon	293	1,950	1,179	1,064
FCCLA Club	1,182	5,180	4,035	2,327
Flag Team/Color Guard	658	-	-	658
Football	1,503	59,743	51,060	10,186
Girls Basketball	2,815	9,150	7,158	4,807
Girls Bowling	1,174	582	948	808
Girls Cross Country	547	4,164	4,577	134
Girls Golf	232	1,025	601	656
Girls Soccer	5,822	1,993	2,441	5,374
Girls Swimming	-	1,329	768	561
Girls Tennis	600	895	1,470	25
Girls Track	(968)	1,769	782	19
Hitting Facility	10,264	-	9,238	1,026
Instrumental Music	629	2,588	2,912	305
International Club	711	2,381	2,076	1,016
Interest	54,053	763	54,816	0
Literacy magazine	162	829	712	279
Musical	500	14,991	10,363	5,128
National Honor Society	24	620	512	132
Pep Club	167	-	-	167
Prom	1,776	6,634	6,242	2,168
SELF Room	3,022	265	1,440	1,847
Skills USA VICA	672	-	-	672
Softball	3,662	21,792	11,433	14,021

**Waukee Community School District**  
**Schedule of Changes in Special Revenue Fund, Student Activity Accounts**  
**Year ended June 30, 2011**

Account	Balance beginning of Year	Revenues	Expenditures	Balance End of Year
Speech	2,763	3,790	2,213	4,340
Student Council	4,812	6,895	3,759	7,948
Student Management	4,055	4,044	3,391	4,708
Students Against Drunk Drivers	436	-	-	436
Vocal Music	1,915	4,316	3,405	2,826
Volleyball	10,760	32,081	25,599	17,242
Weight Room	64	880	905	39
Wrestling	3,730	9,090	10,907	1,913
Yearbook	4,011	36,333	36,866	3,478
Youth for Safe Schools	380	-	-	380
<b><u>Prairieview:</u></b>				
Art Club	1,935	480	123	2,292
Athletics	14,673	5,881	11,683	8,871
Concessions	292	-	-	292
Dance Team	1,301	-	-	1,301
Drama	4,171	1	-	4,172
Drama Troupe	2,302	1	-	2,303
Student Council	810	-	-	810
Student Management	13,153	5,363	250	18,266
Swing Choir	471	-	1	470
Yearbook	7,171	8,303	11,590	3,884
<b><u>Middle School:</u></b>				
6th Grade	130	-	-	130
7th Grade	135	-	-	135
8th Grade	204	-	-	204
Athletic Resale	1,931	-	-	1,931
Concessions	1,612	-	-	1,612
Drama/Speech/Musical	7,361	3,629	1,683	9,307
Student Management	53,463	21,474	39,789	35,148
Instrumental Music	1,773	474	451	1,796
MS SELF	1,146	-	-	1,146
Swing Choir	5,947	-	1	5,946
Yearbook	23,009	10,250	8,441	24,818
<b><u>South Middle School:</u></b>				
Drama/Speech/Musical	-	2,545	1,926	619
Student Management	-	4,705	3,314	1,391
Yearbook	-	13,364	8,265	5,099
<b><u>Elementary:</u></b>				
BV Instrumental Music	89	-	-	89
BV Student Council	2,627	400	131	2,896
BV Student Management	15,573	11,280	8,718	18,135
Eason Fine Arts	6,679	-	-	6,679
Eason Instrumental Music	300	-	-	300
Eason Student Management	12,201	1,257	575	12,883
Eason Playground	2,823	-	-	2,823
Eason Student Council	2,150	-	-	2,150
MG Student Council	252	-	-	252
MG Student Management	2,735	1,065	-	3,800
SE Student Management	-	475	-	475
WE Instrumental Music	5	-	338	(333)
WE Fine Art	165	-	-	165
WE Student Management	45,061	9,598	10,027	44,632

Schedule 8

**Waukee Community School District**  
**Schedule of Changes in Special Revenue Fund, Student Activity Accounts**  
**Year ended June 30, 2011**

Account	Balance beginning of Year	Revenues	Expenditures	Balance End of Year
WE Playground	2,710	-	-	2,710
WE Student Council	3,336	3,126	601	5,861
WH Instrumental Music	132	-	-	132
WH Student Management	5,100	821	385	5,536
Total	<u>\$ 472,716</u>	<u>926,240</u>	<u>851,849</u>	<u>547,107</u>

**Waukee Community School District  
 Schedule of Revenues by Source and Expenditures by Function  
 All Governmental Funds  
 For the Last Nine Years**

	Modified Accrual Basis								
	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Revenues:</b>									
Local sources:									
Local tax	\$ 44,584,830	40,946,587	38,492,214	32,425,053	26,907,371	21,898,342	18,724,901	14,220,453	12,501,101
Tuition	1,262,380	1,053,978	1,134,189	1,175,066	1,209,866	1,267,893	1,176,813	1,258,916	1,274,538
Other	2,165,795	3,375,273	2,185,922	2,432,638	2,604,416	1,935,241	1,383,507	914,311	959,469
State sources	26,672,882	21,558,200	23,361,214	21,804,292	18,700,021	16,110,389	13,424,393	10,926,968	9,691,405
Federal sources	2,788,705	4,132,391	1,021,619	479,500	485,203	437,201	407,377	254,243	207,125
<b>Total</b>	<b>\$ 77,474,592</b>	<b>71,066,429</b>	<b>66,195,158</b>	<b>58,316,549</b>	<b>49,906,877</b>	<b>41,649,066</b>	<b>35,116,991</b>	<b>27,574,891</b>	<b>24,633,638</b>
<b>Expenditures:</b>									
Instruction:									
Regular	\$ 27,556,857	27,511,695	23,090,642	20,040,299	16,944,785	14,497,759	12,045,774	10,074,061	9,180,177
Special	5,685,705	5,640,679	5,611,287	4,926,113	4,233,291	3,387,132	3,061,467	2,679,023	2,303,872
Other	4,629,290	3,624,135	2,932,365	2,389,598	2,147,056	2,096,796	1,896,088	1,443,770	1,354,138
Support services:									
Student	2,111,087	2,033,862	1,981,122	2,518,458	1,413,137	1,289,559	1,274,069	983,108	927,615
Instructional staff	2,596,051	2,604,731	2,372,731	2,450,310	1,631,053	1,393,248	1,475,734	1,331,528	604,992
Administration	4,521,528	3,668,870	4,145,264	3,639,159	2,909,779	2,711,319	2,270,519	1,965,351	1,515,229
Operation/maintenance of plant	4,849,053	4,188,307	3,778,765	3,829,770	3,023,278	2,764,387	2,114,247	1,584,289	1,567,336
Transportation	2,582,297	2,344,507	2,084,532	1,981,897	1,853,584	1,590,878	1,097,493	874,909	762,357
Non-instructional programs	-	-	-	29,955	265	-	-	369	352
Other expenditures:									
Capital outlay:									
Facilities acquisition	10,831,068	44,776,662	12,287,811	13,080,340	21,356,585	5,593,186	11,528,812	16,567,624	5,343,943
Debt Service:									
Principal	8,715,000	26,685,000	8,845,000	13,215,000	3,100,000	2,230,000	8,335,000	2,290,000	2,090,000
Interest and other charges	4,970,492	5,777,565	3,593,137	3,106,109	3,170,874	2,591,550	2,477,557	2,178,279	1,900,449
AEA flowthrough	2,496,394	2,306,290	1,922,343	1,696,590	1,434,517	1,198,063	995,297	823,781	770,245
<b>Total</b>	<b>\$ 81,544,822</b>	<b>131,162,303</b>	<b>72,644,999</b>	<b>72,903,598</b>	<b>63,218,204</b>	<b>41,343,877</b>	<b>48,572,057</b>	<b>42,796,092</b>	<b>28,320,705</b>

See accompanying independent auditor's report.



**Waukee Community School District  
Statistical Section  
Table of Contents**

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The statistical section of the Waukee Community School District's comprehensive annual financial report presents detailed information as a context for understanding what the information presented in the financial statements, note disclosures and required supplementary information say about the District's overall financial health.

<b><u>CONTENTS</u></b>	<b><u>PAGE</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	<b>72-80</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue sources, the property tax (or sales tax).	<b>81-91</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current level of outstanding debt and the District's ability to issue additional debt in the future.	<b>92-96</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	<b>100-103</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	<b>97-99, 104-106</b>

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The District implemented GASB 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that year.

WAUKEE COMMUNITY SCHOOL DISTRICT

NET ASSETS BY COMPONENT

Last Nine Fiscal Years  
(Unaudited)

Year ended June 30,	2011	2010	2009	2008	2007	2006	2005	2004	2003 *
Governmental activities:									
Invested in capital assets, net of related debt	\$ 39,004,284	33,034,650	29,171,718	18,331,620	14,051,616	10,019,928	8,282,400	6,054,028	3,651,585
Restricted	17,089,247	11,605,994	4,452,801	9,922,010	7,820,732	6,441,728	2,627,733	729,161	947,466
Unrestricted	7,072,094	7,493,216	15,528,737	8,112,790	4,815,232	1,594,739	705,403	1,162,141	1,141,673
Total governmental activities net assets	<u>\$ 63,165,625</u>	<u>52,133,860</u>	<u>49,153,256</u>	<u>36,366,420</u>	<u>26,687,580</u>	<u>18,056,395</u>	<u>11,615,536</u>	<u>7,945,330</u>	<u>5,740,724</u>
Business type activities:									
Invested in capital assets	\$ 1,713,938	837,491	961,494	1,073,417	512,885	578,088	548,174	377,917	403,898
Unrestricted	1,924,278	1,868,689	1,537,359	1,151,127	948,838	643,482	459,532	508,045	344,362
Total business type activities net assets	<u>\$ 3,638,216</u>	<u>2,706,180</u>	<u>2,498,853</u>	<u>2,224,544</u>	<u>1,461,723</u>	<u>1,221,570</u>	<u>1,007,706</u>	<u>885,962</u>	<u>748,260</u>
Total									
Invested in capital assets, net of related debt	\$ 40,718,222	33,872,141	30,133,212	19,405,037	14,564,501	10,598,016	8,830,574	6,431,945	4,055,483
Restricted	17,089,247	11,605,994	4,452,801	9,922,010	7,820,732	6,441,728	2,627,733	729,161	947,466
Unrestricted	8,996,372	9,361,905	17,066,096	9,263,917	5,764,070	2,238,221	1,164,935	1,670,186	1,486,035
Total net assets	<u>\$ 66,803,841</u>	<u>54,840,040</u>	<u>51,652,109</u>	<u>38,590,964</u>	<u>28,149,303</u>	<u>19,277,965</u>	<u>12,623,242</u>	<u>8,831,292</u>	<u>6,488,984</u>

\* The District began to report accrual information when it implemented GASB Statement 34 in the year ended June 30, 2003

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

CHANGES IN NET ASSETS

Last Nine Fiscal Years  
(Unaudited)

Year ended June 30,	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Expenses</b>									
Governmental Activities:									
Instruction	\$ 40,827,340	39,751,992	33,853,764	29,165,013	23,541,001	19,961,274	17,459,390	14,226,865	12,850,667
Support services	16,998,032	15,156,524	13,692,553	13,714,587	10,863,315	9,628,971	8,412,897	6,766,317	5,366,904
Non-instructional services	102,369	28,486	-	21,238	-	-	-	369	352
Other expenditures	7,547,279	13,008,444	5,862,005	5,115,615	6,868,514	5,790,397	5,674,821	4,399,338	4,104,084
Total governmental activities expenses	<u>65,475,020</u>	<u>67,945,446</u>	<u>53,408,322</u>	<u>48,016,453</u>	<u>41,272,830</u>	<u>35,380,642</u>	<u>31,547,108</u>	<u>25,392,889</u>	<u>22,322,007</u>
Business type activities:									
Instruction	-	-	-	11,932	7,101	2,230	-	-	-
Support services	-	-	257,408	359,328	285,066	257,974	-	-	-
Food service operations	3,463,106	2,861,494	2,429,393	2,133,551	1,735,203	1,604,089	1,590,456	1,346,037	1,179,897
Community education operations	269,799	212,864	-	-	-	-	-	-	-
Childcare operations	823,806	688,651	608,006	506,525	358,348	307,483	126,069	-	-
Total business type activities expenses	<u>4,556,711</u>	<u>3,763,009</u>	<u>3,294,807</u>	<u>3,011,336</u>	<u>2,385,718</u>	<u>2,171,776</u>	<u>1,716,525</u>	<u>1,346,037</u>	<u>1,179,897</u>
Total expenses	<u>\$ 70,031,731</u>	<u>71,708,455</u>	<u>56,703,129</u>	<u>51,027,789</u>	<u>43,658,548</u>	<u>37,552,418</u>	<u>33,263,633</u>	<u>26,738,926</u>	<u>23,501,904</u>
<b>Program Revenues</b>									
Governmental activities:									
Charges for services:									
Instruction	\$ 36,521,668	34,446,910	30,684,923	2,057,688	2,029,251	2,303,722	2,018,737	1,927,015	1,817,010
Support services	15,859,677	14,466,615	13,272,579	138,536	144,466	108,070	100,679	91,128	87,682
Operating grants and contributions	6,511,175	7,633,170	4,539,543	4,680,999	3,628,074	2,953,730	2,413,493	1,935,347	1,775,380
Total governmental activities program revenue	<u>58,892,520</u>	<u>56,546,695</u>	<u>48,497,045</u>	<u>6,877,223</u>	<u>5,801,791</u>	<u>5,365,522</u>	<u>4,532,909</u>	<u>3,953,490</u>	<u>3,680,072</u>
Business type activities:									
Charges for services:									
Support services	-	-	-	-	-	62,155	-	-	-
Food service operations	2,447,045	2,296,501	2,217,223	1,908,746	1,693,785	1,456,433	1,280,987	1,213,848	1,009,353
Childcare operations	910,638	791,795	753,598	699,391	470,059	371,744	127,150	550	-
Community education operations	98,503	58,234	-	-	-	-	-	-	-
Operating grants and contributions	-	681,161	585,268	504,340	421,173	362,089	301,939	266,374	213,292
Capital grants and contributions	-	-	-	-	-	111,484	120,440	-	-
Total business type activities program revenues	<u>3,456,186</u>	<u>3,827,691</u>	<u>3,556,089</u>	<u>3,112,477</u>	<u>2,585,017</u>	<u>2,363,905</u>	<u>1,830,516</u>	<u>1,480,772</u>	<u>1,222,645</u>
Total program revenues	<u>\$ 62,348,706</u>	<u>60,374,386</u>	<u>52,053,134</u>	<u>9,989,700</u>	<u>8,386,808</u>	<u>7,729,427</u>	<u>6,363,425</u>	<u>5,434,262</u>	<u>4,902,717</u>
<b>Net (Expense)/Revenue</b>									
Governmental activities	\$ (6,582,500)	(11,398,751)	(4,911,277)	(41,139,230)	(35,471,039)	(30,015,120)	(27,014,199)	(21,439,399)	(18,641,935)
Business type activities	(1,100,525)	64,682	261,282	101,141	199,299	192,129	113,991	134,735	42,748
Total net expense	<u>\$ (7,683,025)</u>	<u>(11,334,069)</u>	<u>(4,649,995)</u>	<u>(41,038,089)</u>	<u>(35,271,740)</u>	<u>(29,822,991)</u>	<u>(26,900,208)</u>	<u>(21,304,664)</u>	<u>(18,599,187)</u>
<b>General Revenues</b>									
Governmental activities:									
Property taxes	\$ 38,999,099	37,143,451	33,707,077	27,644,301	22,707,713	18,435,237	15,992,732	13,672,507	12,481,271
Local option sales & services tax	5,585,731	3,803,136	4,785,137	4,780,752	4,199,658	3,467,268	2,736,191	551,705	-
Unrestricted state grants	20,447,529	16,069,134	18,195,747	17,867,198	15,518,867	13,589,697	11,414,256	9,242,108	8,119,410
Investment earnings	108,114	191,804	570,523	840,642	1,299,865	602,452	191,461	87,440	246,574
Other	468,436	1,623,126	347,053	306,433	376,121	361,325	327,606	68,942	106,411
Total governmental activities	<u>65,608,909</u>	<u>58,830,651</u>	<u>57,605,537</u>	<u>51,439,326</u>	<u>44,102,224</u>	<u>36,455,979</u>	<u>30,662,246</u>	<u>23,622,702</u>	<u>20,953,666</u>
Business type activities:									
Investment earnings	3,546	2,266	12,977	40,396	40,854	21,735	7,753	2,967	2,401
Investment earnings	-	-	50	28	-	-	-	-	-
Total general revenues	<u>\$ 65,612,455</u>	<u>58,832,917</u>	<u>57,618,564</u>	<u>51,479,750</u>	<u>44,143,078</u>	<u>36,477,714</u>	<u>30,669,999</u>	<u>23,625,669</u>	<u>20,956,067</u>
<b>Change in Net Assets</b>									
Governmental activities	\$ 10,781,394	2,980,604	12,786,836	9,678,840	8,631,185	6,440,859	3,648,047	2,183,303	2,311,731
Business type activities	915,222	207,327	274,309	762,821	240,153	192,129	113,991	134,735	42,748
Total change in net assets	<u>\$ 11,696,616</u>	<u>3,187,931</u>	<u>13,061,145</u>	<u>10,441,661</u>	<u>8,871,338</u>	<u>6,632,988</u>	<u>3,762,038</u>	<u>2,318,038</u>	<u>2,354,479</u>

Note: District began to report accrual information when it implemented GASB Statement 34 in the year ended June 30, 2003.

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
General fund:										
Reserved	\$ 505,017	116,670	30,279	133,903	195,644	146,376	110,352	39,845	48,057	36,956
Unreserved	8,626,046	8,490,957	9,085,543	6,897,344	4,529,957	2,267,031	1,373,853	1,181,262	1,194,658	179,544
Total general fund	<u>\$ 9,131,063</u>	<u>8,607,627</u>	<u>9,115,822</u>	<u>7,031,247</u>	<u>4,725,601</u>	<u>2,413,407</u>	<u>1,484,205</u>	<u>1,221,107</u>	<u>1,242,715</u>	<u>216,500</u>
All other governmental funds:										
Reserved	\$ 4,450,438	4,229,495	8,157,269	9,432,642	3,453,669	233,849	189,164	118,999	76,887	179,915
Unreserved:										
Special revenue funds	-	-	-	3,156,244	1,644,624	1,533,833	1,200,280	729,161	947,466	558,969
Capital projects funds	6,437,841	13,726,849	51,426,443	10,340,847	17,488,964	17,107,276	2,906,073	5,725,357	11,576,873	5,807,706
Total all other government funds	<u>\$ 10,888,279</u>	<u>17,956,344</u>	<u>59,583,712</u>	<u>22,929,733</u>	<u>22,587,257</u>	<u>18,874,958</u>	<u>4,295,517</u>	<u>6,573,517</u>	<u>12,601,226</u>	<u>6,546,590</u>

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS AND DEBT SERVICE RATIO

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Revenues:</b>										
Local sources:	\$ -	-	-	-	-	-	-	-	-	12,666,930
Local tax	44,584,830	40,946,587	38,492,214	32,425,053	26,907,371	21,898,342	18,724,901	14,220,453	12,501,101	-
Tuition	1,262,380	1,053,978	1,134,189	1,175,066	1,209,866	1,267,893	1,176,813	1,258,916	1,274,538	-
Other	2,165,795	3,375,273	2,185,922	2,432,638	2,604,416	1,935,241	1,383,507	914,311	959,469	-
State sources	26,672,882	21,558,200	23,361,214	21,804,292	18,700,021	16,110,389	13,424,393	10,926,968	9,691,405	8,327,266
Federal sources	2,788,705	4,132,391	1,021,619	479,500	485,203	437,201	407,377	254,243	207,125	211,068
<b>Total revenues</b>	<b>77,474,592</b>	<b>71,066,429</b>	<b>66,195,158</b>	<b>58,316,549</b>	<b>49,906,877</b>	<b>41,649,066</b>	<b>35,116,991</b>	<b>27,574,891</b>	<b>24,633,638</b>	<b>21,205,264</b>
<b>Expenditures:</b>										
<b>Current:</b>										
<b>Instruction:</b>										
Regular	27,556,857	27,511,695	23,090,642	20,040,299	16,944,785	14,497,759	12,045,774	10,074,061	9,180,177	-
Special	5,685,705	5,640,679	5,611,287	4,926,113	4,233,291	3,387,132	3,061,467	2,679,023	2,303,872	-
Other	4,629,290	3,624,135	2,932,365	2,389,598	2,147,056	2,096,796	1,896,088	1,443,770	1,354,138	-
<b>Support services:</b>										
Student	211,087	2,033,862	1,981,122	2,518,458	1,413,137	1,289,559	1,274,069	983,108	927,615	-
Instructional	2,596,051	2,604,731	2,372,731	2,450,310	1,631,053	1,393,248	1,475,734	1,331,528	604,992	-
Administrative	4,521,528	3,668,870	4,145,264	3,639,159	2,909,779	2,711,319	2,270,519	1,965,351	1,515,229	-
Operation & plant maintenance	4,849,053	4,188,307	3,778,765	3,829,770	3,023,278	2,764,387	2,114,247	1,584,289	1,567,336	-
Transportation	258,297	2,344,507	2,084,532	1,981,897	1,853,584	1,560,878	1,097,493	874,909	762,357	-
Non-instructional services	-	-	-	29,955	265	-	-	369	352	6,627
Other expenditures:	-	-	-	-	-	-	-	-	-	132,697
<b>Capital outlay:</b>										
Facilities acquisition	10,831,036	44,776,662	12,287,811	13,080,340	21,356,585	5,593,186	11,528,812	16,567,624	5,343,943	2,936,634
<b>Debt service:</b>										
Principal	8,715,000	26,685,000	8,845,000	13,215,000	3,100,000	2,230,000	8,335,000	2,290,000	2,090,000	-
Interest	4,970,492	5,545,233	3,584,653	3,097,409	3,166,074	2,500,741	2,391,214	2,082,149	1,900,449	-
Fiscal charges	-	60,233	8,484	8,700	4,800	90,809	86,343	96,130	262,182	-
AEA flowthrough	2,496,394	2,306,290	1,922,343	1,696,590	1,434,517	1,198,063	995,297	823,781	770,240	662,430
<b>Total expenditures</b>	<b>77,320,790</b>	<b>130,990,204</b>	<b>72,644,999</b>	<b>72,903,598</b>	<b>63,218,204</b>	<b>41,313,877</b>	<b>48,572,057</b>	<b>42,796,092</b>	<b>28,582,882</b>	<b>23,629,375</b>
<b>Other financing sources (uses):</b>										
Sale of equipment	-	-	-	-	100	50	1,900	1,300	100	2,565
Sale of real property	-	-	-	-	-	26,000	-	-	-	41,328
Interfund transfers in	7,315,491	5,016,481	6,868,247	5,327,082	3,101,062	15,831,166	763,808	775,552	798,543	767,870
Interfund transfers out	7,300,384	5,156,860	6,868,247	5,327,082	(3,101,062)	(15,831,160)	(763,808)	(775,552)	(798,543)	(776,239)
Bonds refunded	-	18,310,000	-	7,165,000	(4,285,000)	-	-	-	-	-
Bonds and notes issued	-	-	50,000,000	10,000,000	23,335,000	15,000,000	11,390,000	9,175,000	15,520,000	7,000,000
Premium on bonds and notes issued	-	-	123,400	88,404	285,720	147,404	48,264	-	(4,490,000)	-
	14,615,875	28,483,341	63,859,894	27,907,568	19,335,820	15,173,460	11,440,164	9,176,300	11,030,100	7,035,524
<b>Net change in fund balance</b>	<b>\$ 14,769,677</b>	<b>(31,440,434)</b>	<b>57,410,053</b>	<b>13,320,519</b>	<b>6,024,493</b>	<b>15,508,649</b>	<b>(2,014,902)</b>	<b>(6,044,901)</b>	<b>7,080,856</b>	<b>4,611,413</b>
<b>Total expenditures</b>	<b>\$ 77,320,790</b>	<b>130,990,204</b>	<b>72,644,999</b>	<b>72,903,598</b>	<b>63,218,204</b>	<b>41,313,877</b>	<b>48,572,057</b>	<b>42,796,092</b>	<b>28,582,882</b>	<b>23,629,375</b>
Less: capital expenditures	-	-	-	-	(20,735,371)	(5,293,151)	(10,817,069)	(16,095,655)	(5,035,469)	(2,936,634)
<b>Non-capital expenditures</b>	<b>77,320,790</b>	<b>130,990,204</b>	<b>72,644,999</b>	<b>72,903,598</b>	<b>42,482,833</b>	<b>36,020,726</b>	<b>37,754,988</b>	<b>26,700,437</b>	<b>23,547,413</b>	<b>20,692,741</b>
<b>Debt service expenditures</b>	<b>16,181,886</b>	<b>34,596,756</b>	<b>12,438,137</b>	<b>16,321,109</b>	<b>6,270,874</b>	<b>4,821,550</b>	<b>10,812,557</b>	<b>4,468,279</b>	<b>4,252,631</b>	<b>3,601,867</b>
<b>Debt service expenditures as a percentage of non-capital expenditures</b>	<b>20.93%</b>	<b>26.41%</b>	<b>17.12%</b>	<b>22.39%</b>	<b>14.76%</b>	<b>13.39%</b>	<b>28.64%</b>	<b>16.73%</b>	<b>18.06%</b>	<b>17.41%</b>

Note: From 1999 to 2002, detail on revenues and expenses are not available.  
Only category totals are reported.

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

GENERAL FUND REVENUES, BY SOURCE

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Local		State	Federal	Total
	Taxes	Miscellaneous			
2011	\$ 23,958,242	2,145,624	26,670,526	2,788,705	55,563,097
2010	23,325,578	1,711,651	21,556,102	4,132,391	50,725,722
2009	21,606,662	1,976,901	23,359,329	1,021,619	47,964,511
2008	19,059,387	2,045,360	21,802,799	479,500	43,387,046
2007	15,417,932	2,022,140	18,698,603	485,203	36,623,878
2006	12,101,584	1,874,439	16,108,939	433,391	30,518,353
2005	9,993,328	1,599,569	13,422,857	407,377	25,423,131
2004	8,349,264	1,576,846	10,925,564	254,243	21,105,917
2003	7,866,729	1,600,125	9,690,094	207,125	19,364,073
2002	6,385,468	1,292,631	8,326,003	211,068	16,215,170

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT  
GENERAL FUND EXPENDITURES, BY PROGRAM

Last Ten Fiscal Years  
(Unaudited)

Year Ended June 30,	Instruction	Support Services	Non-Instructional Programs	Other Expenditures	Total
2011	\$ 36,521,668	15,859,677	-	2,496,394	54,877,739
2010	34,446,910	14,466,615	-	2,306,290	51,219,815
2009	30,684,923	13,272,579	-	1,922,343	45,879,845
2008	26,185,188	13,176,495	23,127	1,696,590	41,081,400
2007	22,370,355	10,506,812	-	1,434,517	34,311,684
2006	18,800,131	9,594,770	-	1,198,063	29,592,964
2005	16,051,064	8,115,572	-	995,297	25,161,933
2004	13,601,413	6,696,788	-	824,908	21,123,109
2003	12,339,194	5,228,519	-	770,245	18,337,958
2002	11,156,200	4,530,756	-	662,430	16,349,386

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

GOVERNMENT-WIDE REVENUES

Last Nine Fiscal Years  
(Unaudited)

Year ended June 30,	Program Revenues								Total
	Charges for Services & Sales	Operating Grants & Contributions	Capital Grants & Contributions	Taxes	Other Local Sources	State Sources	Investment Earnings		
2011	\$ 6,002,255	9,801,592	-	44,584,830	468,436	20,447,529	108,114		81,412,756
2010	5,442,848	10,620,621	-	40,946,587	1,623,126	16,069,134	194,070		74,896,386
2009	5,098,556	7,047,154	-	38,492,214	347,053	18,195,797	583,500		69,764,274
2008	4,804,361	5,185,339	-	32,425,053	306,433	17,867,226	881,038		61,469,450
2007	4,337,561	4,049,247	-	26,907,371	188,662	15,518,867	1,340,719		52,342,427
2006	4,302,124	3,315,819	111,484	21,902,505	361,325	13,589,697	624,187		44,207,141
2005	3,527,553	2,715,432	120,440	18,728,923	327,606	11,414,256	199,214		37,033,424
2004	3,232,541	2,201,721	-	13,672,507	620,647	9,242,108	90,407		29,059,931
2003*	2,914,045	1,998,672	-	12,481,271	106,411	8,119,410	248,975		25,868,784

\* The District began to report accrual information when it implemented GASB Statement 34 in the year ended June 30, 2003.

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT  
GOVERNMENT-WIDE EXPENSES, BY FUNCTION

Last Nine Fiscal Years  
(Unaudited)

Year ended June 30,	Program Revenues				Total
	Instruction	Support Services	Non-instructional Programs	Other Expenditures	
2011	\$ 40,827,340	16,998,032	102,369	7,547,279	65,475,020
2010	39,751,992	15,156,624	28,486	13,008,444	67,945,546
2009	33,853,764	13,692,553	-	5,862,005	53,408,322
2008	29,165,013	13,714,587	21,238	5,115,615	48,016,453
2007	23,541,001	10,863,315	2,385,718	6,868,514	43,658,548
2006	19,961,274	9,628,971	2,171,776	5,790,397	37,552,418
2005	17,459,390	8,412,897	1,716,525	5,674,821	33,263,633
2004	14,226,865	6,766,317	1,346,406	4,399,338	26,738,926
2003 *	12,850,667	5,366,904	1,180,249	4,104,084	23,501,904

\* The District began to report accrual information when it implemented GASB Statement 34 in the year ended June 30, 2003.

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

COMPARISON OF GROWTH IN GENERAL FUND REVENUE, EXPENDITURES, ENROLLMENT,  
ENROLLMENT, ASSESSED VALUATION AND TAX RATE

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Revenue		Expenditures		Budget		Assessed Value		Tax Rate	
		Growth		Growth	Enrollment	Growth		Growth		Growth
2011	\$ 55,566,068	9.27%	\$ 54,877,739	7.14%	6,249.2	4.73%	\$ 2,078,929,733	5.60%	\$ 11.46031	-1.07%
2010	50,851,999	6.02%	51,219,815	11.64%	5,967.0	8.73%	1,968,768,518	9.81%	11.58369	-3.95%
2009	47,964,420	10.55%	45,879,845	11.68%	5,488.0	0.55%	1,792,848,425	22.21%	12.06033	-7.57%
2008	43,387,046	18.47%	41,081,400	19.73%	5,458.0	7.06%	1,467,046,188	22.76%	13.04865	0.89%
2007	36,623,878	19.99%	34,311,684	15.95%	5,098.0	11.07%	1,195,088,331	22.33%	12.93403	4.52%
2006	30,522,161	20.05%	29,592,960	17.61%	4,590.0	12.83%	976,966,148	15.70%	12.37520	4.68%
2005	25,425,031	20.50%	25,161,933	18.62%	4,068.0	12.19%	844,423,567	18.07%	11.82216	1.10%
2004	21,099,617	8.96%	21,212,982	15.68%	3,626.0	16.52%	715,197,303	8.86%	11.69320	-2.33%
2003	19,364,073	19.42%	18,337,958	12.16%	3,112.0	12.43%	656,966,876	18.46%	11.97257	4.08%
2002	16,215,170	18.76%	16,349,386	14.21%	2,768.0	15.29%	554,596,339	21.07%	11.50340	0.03%

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT  
RATIO OF FINANCIAL CONDITION (General Fund)

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Days net Cash Ratio</b> <u>cash</u> average daily disbursements	111.11	97.58	108.79	97.86	84.81	64.79	59.09	56.9	56.8	37.7
<b>Increased Revenue versus Increased Expenditures</b> <u>current year revenue minus prior year revenue</u> current year expenditures-prior year expenditures	1.29	0.54	0.95	1.00	1.29	1.15	1.07	0.63	1.58	0.77
<b>Financial Solvency Ratios</b> <u>current year UD,UR Fund Balance*</u> current year actual revenue	17.46%	16.70%	18.94%	15.68%	12.13%	7.08%	5.404%	5.597%	6.169%	1.107%

\*UD,UR=Undesignated, Unreserved

Source: District records

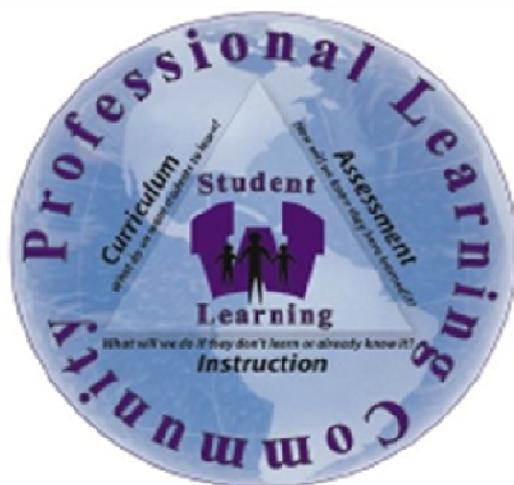
WAUKEE COMMUNITY SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years  
(Unaudited)

Collection Year	General Fund	Management	Debt Service	PPEL	Total
<u>Property Tax Levies</u>					
2011	\$ 24,037,687	1,999,993	8,927,727	4,143,096	39,108,503
2010	23,368,534	999,997	8,878,545	3,947,929	37,195,005
2009	21,622,344	999,997	7,499,922	3,609,431	33,731,694
2008	19,142,972	1,100,006	4,393,433	3,144,865	27,781,276
2007	15,457,308	500,501	4,270,762	2,559,417	22,787,988
2006	12,090,151	399,999	3,970,419	1,954,603	18,415,172
2005	9,978,351	300,000	4,030,904	1,662,167	15,971,422
2004	8,362,946	180,000	3,649,603	1,505,078	13,697,627
2003	7,874,784	165,000	3,094,666	1,367,044	12,501,494
2002	6,386,307	140,000	2,817,647	1,165,426	10,509,380
<u>Property Tax Collections</u>					
2011	23,797,934	1,980,046	8,861,871	4,112,538	38,752,389
2010	23,157,073	990,940	8,820,636	3,922,059	36,890,708
2009	21,443,124	991,736	7,447,496	3,584,212	33,466,568
2008	18,885,364	1,085,244	4,307,301	3,102,316	27,380,225
2007	15,417,932	498,717	4,246,299	2,544,765	22,707,713
2006	12,080,450	399,673	3,967,366	1,953,106	18,400,595
2005	9,973,356	299,712	4,024,352	1,661,063	15,958,483
2004	8,349,264	179,706	3,639,048	1,500,730	13,668,748
2003	7,866,729	165,496	3,093,356	1,375,520	12,501,101
2002	6,385,468	140,125	2,819,360	1,166,134	10,511,087
<u>Percentage Collected</u>					
2011	99.00%	99.00%	99.26%	99.26%	99.09%
2010	99.10%	99.09%	99.35%	99.34%	99.18%
2009	99.17%	99.17%	99.30%	99.30%	99.21%
2008	98.65%	98.66%	98.04%	98.65%	98.56%
2007	99.75%	99.64%	99.43%	99.43%	99.65%
2006	99.92%	99.92%	99.92%	99.92%	99.92%
2005	99.95%	99.90%	99.84%	99.93%	99.92%
2004	99.84%	99.84%	99.71%	99.71%	99.79%
2003	99.90%	100.30%	99.96%	100.62%	100.00%
2002	99.99%	100.09%	100.06%	100.06%	100.02%

Source: District records

Dallas County, Iowa does not track delinquent taxes to a specific year if payment is made after the fiscal year closes.



WAUKEE COMMUNITY SCHOOL DISTRICT

TAXABLE AND 100% VALUES OF PROPERTY

Last Ten Fiscal Years  
(Unaudited)

Levy Year	Collection Year	Real Property		Personal Property		Railroads & Utilities w/o Gas & Electric	
		Taxable	100% Value	Taxable	100% Value	Taxable	100% Value
2009	2010-2011	\$2,066,543,684	3,371,574,382	-	-	14,139,966	14,139,966
2008	2009-10	1,955,777,049	3,400,929,740	-	-	13,641,512	13,641,512
2007	2008-09	1,780,656,409	3,116,199,794	-	-	12,272,629	12,272,629
2006	2007-08	1,858,042,043	2,950,899,982	-	-	13,116,350	13,116,350
2005	2006-07	1,510,070,351	2,419,304,099	-	-	15,444,126	15,465,927
2004	2005-06	1,148,316,166	1,868,579,752	-	-	15,095,138	15,095,138
2003	2004-05	973,280,228	1,558,524,097	-	-	14,464,885	14,464,885
2002	2003-04	881,545,202	1,347,854,822	-	-	12,181,126	12,181,126
2001	2002-03	800,649,806	1,217,989,973	742,846	742,846	15,058,875	15,106,417
2000	2001-02	672,278,192	975,065,887	6,503,826	6,503,826	11,519,941	11,519,941

Gas and Electric was broken out of total utilities in fiscal year 2000 due to change in state law.  
 Gas and Electric is no longer subject to property tax, but instead pay utility replacement tax.  
 Includes Tax Increment Financing Valuations

Source: County Auditor's Office

Gas & Electric		Total		Ratio of Total Taxable Value to 100% Value
Taxable	100% Value	Taxable	100% Value	
12,386,049	26,579,651	3,398,100,397	3,412,293,999	99.58%
12,991,469	26,566,149	3,427,562,721	3,441,137,401	99.61%
12,192,016	17,468,314	3,140,664,439	3,145,940,737	99.83%
11,994,305	17,065,329	1,883,152,698	2,981,081,661	63.17%
7,070,342	8,407,740	1,532,584,819	2,443,177,766	62.73%
7,009,675	7,750,790	1,170,420,979	1,891,425,680	61.88%
7,564,751	7,564,751	995,309,864	1,580,553,733	62.97%
7,517,646	7,517,646	901,243,974	1,367,553,594	65.90%
7,526,984	7,526,984	823,978,511	1,241,366,220	66.38%
7,557,884	7,557,884	697,859,843	1,000,647,538	69.74%

WAUKEE COMMUNITY SCHOOL DISTRICT

PROPERTY TAX RATES PER \$1,000 ASSESSED VALUATION, DIRECT AND OVERLAPPING GOVERNMENTS  
Last Ten Fiscal Years  
(Unaudited)

Levy Year	Collection Year	Dallas County	Dallas Co Hospital	State	Area XI Community College	City	Special	Waukee CSD	Total	Ratio WCSD to Total
<u>City of Waukee</u>										
2009	2010-2011	\$4.72267	0.60945	0.00340	0.56008	13.50001	-	17.79315	37.18876	47.846%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	13.50004	-	17.80336	37.73098	47.185%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	13.50004	-	17.75814	37.72049	47.078%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	13.50004	-	17.80148	42.06996	42.314%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	13.50004	-	17.84693	42.07408	42.418%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	13.50039	-	17.84693	38.87334	45.910%
2003	2004-05	6.11761	0.74992	0.00400	0.59856	13.50039	-	17.89346	38.86394	46.041%
2002	2003-04	6.22792	0.78378	0.00400	0.58184	13.50010	-	17.66440	38.76204	45.571%
2001	2002-03	6.27223	0.85556	0.00500	0.54584	13.50032	-	17.66350	38.84245	45.475%
2000	2001-02	6.26865	0.85556	0.00500	0.54454	13.50000	-	17.47522	38.64897	45.215%
<u>City of Clive</u>										
2009	2010-2011	\$4.72267	0.60945	0.00340	0.56008	9.53866	-	17.79315	33.22741	53.550%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	9.53764	-	17.80336	33.76858	52.722%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	9.53762	-	17.75814	33.75807	52.604%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	9.53783	0.07294	17.80148	38.18069	46.624%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	9.24927	-	17.84693	37.82331	47.185%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	9.24927	-	17.84693	34.62222	51.548%
2003	2004-05	6.11761	0.74992	0.00400	0.59856	8.82714	-	17.89346	34.19069	52.334%
2002	2003-04	6.22792	0.78378	0.00400	0.58184	8.92149	-	17.66440	34.18343	51.675%
2001	2002-03	6.27223	0.85556	0.00500	0.54584	8.96811	-	17.66350	34.31024	51.482%
2000	2001-02	6.26865	0.85556	0.00500	0.54454	8.45221	-	17.47522	33.60118	52.008%
<u>City of Urbandale</u>										
2009	2010-2011	\$4.72267	0.56008	0.00340	0.56008	9.32000	-	17.79315	32.95938	53.985%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	9.22000	-	17.80336	33.45094	53.222%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	9.22000	-	17.75814	33.44045	53.104%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	9.22000	0.17216	17.80148	37.96208	46.893%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	9.07393	0.13129	17.84693	37.77926	47.240%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	9.07393	-	17.84693	34.44688	51.810%
2003	2004-05	6.11761	0.74992	0.00400	0.59856	9.07306	0.41222	17.89346	34.84883	51.346%
2002	2003-04	6.22792	0.78378	0.00400	0.58184	9.07000	0.42528	17.66440	34.75722	50.822%
2001	2002-03	6.27223	0.85556	0.00500	0.54584	8.97000	0.41734	17.66350	34.72947	50.860%
2000	2001-02	6.26865	0.85556	0.00500	0.54454	8.96096	0.35432	17.47522	34.46425	50.705%
<u>City of West Des Moines</u>										
2009	2010-2011	\$4.72267	0.60945	0.00340	0.56008	12.05000	-	17.79315	35.73875	49.787%
2008	2009-10	5.24709	0.60971	0.00300	0.56778	12.05000	-	17.80336	36.28094	49.071%
2007	2008-09	5.30363	0.59132	0.00350	0.56386	12.05000	-	17.75814	36.27045	48.960%
2006	2007-08	7.19259	2.96959	0.00350	0.60276	12.04999	0.33240	17.80148	40.95231	43.469%
2005	2006-07	8.90138	1.13685	0.00400	0.68488	11.95000	0.27070	17.84693	40.79474	43.748%
2004	2005-06	6.15571	0.68223	0.00400	0.68408	11.95000	-	17.84693	37.32295	47.818%
2003	2004-05	6.11761	0.74992	0.00400	0.59856	11.72777	-	17.89346	37.09132	48.242%
2002	2003-04	6.22792	0.78378	0.00400	0.58184	11.60021	-	17.66440	36.86215	47.920%
2001	2002-03	6.27223	0.85556	0.00500	0.54584	11.60003	-	17.66350	36.94216	47.814%
2000	2001-02	6.26865	0.85556	0.00500	0.54454	10.90002	-	17.47522	36.04899	48.476%

Source: County Auditor's Office

WAUKEE COMMUNITY SCHOOL DISTRICT

TAX RATES BY FUND

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	General	Management	PPEL	Debt Service	Total
2011	\$ 11.56253	0.96203	1.67000	3.59859	17.79315
2010	11.86962	0.50793	1.67000	3.75581	17.80336
2009	12.06033	0.55777	1.67000	3.47004	17.75814
2008	13.04865	0.74981	1.67000	2.33302	17.80148
2007	12.93403	0.41838	1.67000	2.78664	17.80905
2006	12.37520	0.40943	1.67000	3.39230	17.84693
2005	11.82216	0.35527	1.67000	4.04603	17.89346
2004	11.69320	0.25168	1.67000	4.04952	17.66440
2003	11.97257	0.25115	1.67000	3.75576	17.64948
2002	11.50340	0.25244	1.67000	4.03755	17.46339

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

TAXABLE ASSESSED VALUATION BY PROPERTY TYPE\*

Last Ten Fiscal Years  
(Unaudited)

Collection Year	2011	% of Total	2010	% of Total	2009	% of Total	2008	% of Total	2007	% of Total
Residential	\$ 1,289,336,556	65.4%	\$ 1,209,740,589	61.4%	\$ 1,049,082,674	58.3%	\$ 894,414,446	61.0%	\$ 736,708,613	61.6%
Agricultural	18,263,052	0.9%	13,792,106	0.7%	13,393,952	0.7%	13,510,560	0.9%	13,910,270	1.2%
Commercial	739,997,380	37.6%	712,326,724	36.2%	699,318,821	38.9%	530,841,969	36.2%	418,658,441	35.0%
Industrial	3,898,097	0.2%	4,096,860	0.2%	4,698,960	0.3%	4,865,916	0.3%	4,851,390	0.4%
Personal	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Railroads	1,809,118	0.1%	1,559,461	0.1%	1,559,461	0.1%	1,281,039	0.1%	2,545,804	0.2%
Utilities w/o Gas & Electric	14,139,966	0.7%	13,641,512	0.7%	12,272,629	0.7%	11,835,311	0.8%	12,898,322	1.1%
Gas & Electric	12,386,049	0.6%	12,991,469	0.7%	17,468,314	1.0%	11,994,305	0.8%	7,070,342	0.6%
Sub-Total	2,079,830,218		1,968,148,721		1,797,794,811		1,468,743,546		1,196,643,182	
(Military Credit)	-		1,854,007		1,795,576		(1,697,358)		(1,554,851)	
Totals	<u>\$ 2,079,830,218</u>		<u>\$ 1,970,002,728</u>		<u>\$ 1,799,590,387</u>		<u>\$ 1,467,046,188</u>		<u>\$ 1,195,088,331</u>	

\* Does not include TIF Valuation

Source: County Auditor and District records

2006	% of Total	2005	% of Total	2004	% of Total	2003	% of Total	2002	% of Total
\$ 577,276,665	59.1%	\$ 479,166,040	56.7%	\$ 416,743,673	58.3%	\$ 385,758,428	58.7%	\$ 343,169,499	61.9%
14,009,200	1.4%	14,475,120	1.7%	22,181,850	3.1%	22,470,600	3.4%	22,591,480	4.1%
359,914,916	36.8%	325,193,663	38.5%	250,761,836	35.1%	221,993,653	33.8%	159,965,881	28.8%
4,851,390	0.5%	4,718,460	0.6%	4,564,480	0.6%	4,452,610	0.7%	4,319,690	0.8%
-	0.0%	-	0.0%	-	0.0%	742,846	0.1%	6,503,826	1.2%
2,598,624	0.3%	2,451,043	0.3%	2,334,361	0.3%	2,084,530	0.3%	1,955,070	0.4%
12,496,514	1.3%	12,013,842	1.4%	12,181,126	1.7%	12,974,345	2.0%	9,564,871	1.7%
7,009,675	0.7%	7,564,751	0.9%	7,517,646	1.1%	7,526,984	1.1%	7,557,884	1.4%
978,156,984		845,582,919		716,284,972		658,003,996		555,628,201	
(1,190,836)		(1,159,353)		(1,087,669)		(1,037,120)		(1,031,862)	
<u>\$ 976,966,148</u>		<u>\$ 844,423,566</u>		<u>\$ 715,197,303</u>		<u>\$ 656,966,876</u>		<u>\$ 554,596,339</u>	

WAUKEE COMMUNITY SCHOOL DISTRICT

COMPARISON OF TAXES AND INTERGOVERNMENTAL REVENUE

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Local revenue		Inter-governmental revenue		
	General and special revenue funds	Debt service and capital projects funds	State sources	Federal sources	Total
2011	\$ 26,106,837	8,915,061	26,670,526	2,788,705	64,481,129
2010	25,163,506	8,928,576	21,556,102	4,132,391	59,780,575
2009	23,583,562	7,514,685	23,359,239	1,021,619	55,479,105
2008	26,294,962	9,737,795	21,804,292	479,500	58,316,549
2007	21,357,278	9,364,375	18,700,021	485,203	49,906,877
2006	17,196,267	7,905,208	16,110,389	437,201	41,649,065
2005	14,255,091	7,030,130	13,424,393	407,377	35,116,991
2004	12,136,114	4,258,524	10,926,010	254,243	27,574,891
2003	11,479,225	3,256,755	9,690,533	207,125	24,633,638
2002	9,390,499	5,774,171	8,326,407	211,068	23,702,145

WAUKEE COMMUNITY SCHOOL DISTRICT

PRINCIPAL TAXPAYERS IN THE WAUKEE COMMUNITY SCHOOL DISTRICT

Current and Nine Years Ago  
(Unaudited)

Taxpayer	2010 Taxable Values	Percent of Total Assessed Value
Wells Fargo Home Mortgage, Inc.	\$ 188,454,660	10.51%
GCP Jordan Creek LLC	175,142,440	9.77%
Aviva Real Property Holdings LLC	54,939,070	3.06%
CCOPI LLC	40,041,570	2.23%
Dallas County Partners II	31,725,370	1.77%
Iowa Clinic West Lakes I, LLC	25,834,520	1.44%
Edgewater, A Wesley Active Life Community LLC	20,997,880	1.17%
Wal-Mart Real Estate Business Trust	16,216,120	0.90%
MidAmerican Energy Co	15,620,130	0.87%
Westtown Equity, LLC	14,912,930	0.83%
Total	\$ 583,884,690	
Total Taxable Assessed Value	\$ 1,792,848,425	

Taxpayer	2001 Taxable Values	Percent of Total Assessed Value
Wells Fargo Home Mortgage, Inc.	\$ 52,655,822	2.94%
Dallas County Partners	44,075,290	2.46%
Dallas County Partners II	26,474,840	1.48%
West Lakes Development Company	21,848,860	1.22%
Iowa Lodging, LLC	12,277,280	0.68%
Hubbell Realty Company	9,221,550	0.51%
65th St Partnership	8,484,960	0.47%
Sherman Hills Real Estate	8,913,140	0.50%
60th St Partnership	7,493,710	0.42%
Hy-Vee, Inc	7,517,380	0.42%
Total	\$ 198,962,832	
Total Taxable Assessed Value	\$ 1,792,848,425	

Source: Dallas County Auditor's Office

WAUKEE COMMUNITY SCHOOL DISTRICT

COMPARATIVE RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE AND BONDED DEBT PER CAPITA

Last Ten Fiscal Years  
(Unaudited)

Collection Year	Population*	100% Actual Value	Legal Debt Limit(5%)	Indebtedness	Debt to Assessed Value	Debt per Capita
2011	51,500	\$ 3,964,429,946	198,221,497	96,445,000	2.43%	\$ 1,873
2010	46,500	3,822,756,705	191,137,835	110,790,000	2.90%	2,383
2009	41,250	3,502,206,021	175,110,301	122,945,000	3.51%	2,980
2008	37,750	2,981,081,661	149,054,083	89,345,000	3.00%	2,367
2007	30,650	2,443,177,766	122,158,888	85,395,000	3.50%	2,786
2006	23,678	1,891,425,680	94,571,284	69,445,000	3.67%	2,933
2005	22,428	1,580,553,733	79,027,687	56,675,000	3.59%	2,527
2004	15,500	1,367,553,594	68,377,680	52,195,000	3.82%	3,367
2003	14,607	1,241,366,220	62,068,311	44,640,000	3.60%	3,056
2002	13,780	1,000,647,538	50,032,377	35,060,000	3.50%	2,544

\* District populations estimated from 2000 Census.

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT  
TO TOTAL GOVERNMENTAL FUND EXPENDITURES

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Principal	Interest	Total Debt Service	Total Expenditures	Ratio of Debt Service to Total Expenditures
2011	\$ 8,715,000	4,970,492	13,685,492	81,544,822	16.78%
2010	26,685,000	2,306,290	28,991,290	131,162,303	22.10%
2009	8,845,000	3,584,653	12,429,653	72,644,999	17.11%
2008	14,910,000	2,927,372	17,837,372	72,903,598	24.47%
2007	13,215,000	3,097,409	16,312,409	63,218,204	25.80%
2006	7,385,000	3,166,074	10,551,074	41,343,877	25.52%
2005	7,640,000	2,324,006	9,964,006	48,572,057	20.51%
2004	1,620,000	1,983,926	3,603,926	42,796,092	8.42%
2003	2,155,000	1,773,021	3,928,021	28,320,705	13.87%
2002	1,315,000	1,515,146	2,830,146	16,349,386	17.31%

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2011	2010	2009	2008
Assessed value of property	\$ 4,132,002,413	3,822,756,705	3,502,206,021	2,981,081,661
Debt limit-5% of 100% assessed value	206,600,121	191,137,835	175,110,301	149,054,083
Amount of debt applicable to debt limit:				
General obligation bonds	95,445,000	105,380,000	107,775,000	60,370,000
Sales tax revenue bonds	8,680,000	13,925,000	13,925,000	16,400,000
Capital loan notes	8,285,000	11,195,000	11,195,000	12,575,000
Total debt applicable to debt limit	112,410,000	130,500,000	132,895,000	89,345,000
Legal debt margin	\$ 94,190,121	60,637,835	42,215,301	59,709,083
Legal debt margin as a percentage of debt limi	45.59%	31.72%	24.11%	40.06%

Source: District Records

2007	2006	2005	2004	2003	2002
2,443,177,766	1,891,425,600	1,580,553,733	1,367,553,594	1,241,366,220	1,000,646,538
122,158,888	94,571,280	79,027,687	68,377,680	62,068,311	50,032,327
52,590,000	54,445,000	55,945,000	52,195,000	44,640,000	35,060,000
18,900,000					
13,905,000	15,000,000	730,000	1,425,000	2,095,000	2,735,000
85,395,000	69,445,000	56,675,000	53,620,000	46,735,000	37,795,000
36,763,888	25,126,280	22,352,687	14,757,680	15,333,311	12,237,327
30.10%	26.57%	28.28%	21.58%	24.70%	24.46%

WAUKEE COMMUNITY SCHOOL DISTRICT  
COMPUTATION OF OVERLAPPING AND DIRECT DEBT

As of June 30, 2011  
(Unaudited)

	Taxable Valuation	Taxable Valuation Within District	Percent in District	G. O. Debt	Waukee CSD Share of the Debt
Dallas County	\$ 4,024,018,434	2,633,448,867	65.44%	\$ 15,360,000	10,052,085
City of Waukee	590,249,040	587,280,819	99.50%	23,173,770	23,057,235
City of Clive	1,232,297,231	249,722,511	20.26%	49,395,000	10,009,796
City of Grimes	434,698,512	124,910	0.03%	18,170,000	4,820
City of Urbandale	2,491,094,394	334,455,555	13.43%	49,840,000	6,036,114
City of West Des Moines	4,205,957,596	1,395,976,623	33.19%	112,650,000	23,720,893
Area XI Des Moines Area Community College	36,478,169,487	2,633,448,867	7.22%	93,605,000	5,676,725
Total District Share of Overlapping Debt				<u>\$ 362,193,770</u>	<u>78,557,667</u>
Direct, Waukee Community School District:					
General Obligation			100.00%	\$ 96,445,000	96,445,000
Sales Tax Revenue Bonds			100.00%	8,680,000	8,680,000
Capital Loan Notes			100.00%	8,285,000	8,285,000
Total District Direct Debt				<u>\$ 113,410,000</u>	<u>113,410,000</u>

Source: District records, County Auditor's office, City of Waukee, City of Clive, City of Grimes, City of Urbandale, City of West Des Moines, Area XI Des Moines Area Community College.

WAUKEE COMMUNITY SCHOOL DISTRICT

DISTRICT STAFFING LEVELS

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
<b>Administration:</b>										
Superintendent	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Principal	10.0	8.0	8.0	8.0	7.0	6.0	5.0	5.0	5.0	5.0
Associate Principal	4.0	4.0	4.5	2.0	2.0	4.0	3.0	1.0	-	
Other Administrators	5.0	6.0	6.0	6.0	6.0	4.0	5.0	5.0	3.0	3.0
<b>Total Administration</b>	<b>20.0</b>	<b>19.0</b>	<b>19.5</b>	<b>17.0</b>	<b>16.0</b>	<b>15.0</b>	<b>14.0</b>	<b>12.0</b>	<b>9.0</b>	<b>9.0</b>
<b>Other Professionals</b>								-	0.6	1.0
<b>Instruction:</b>										
Teacher	416.93	332.03	384.34	357.44	318.33	288.5	258.6	229.1	207.7	192.5
Curriculum Specialist	9.00	1.00	0.50	2.0	2.0	2.0	2.0	1.0	1.0	
Counselor	21.00	18.50	18.50	17.0	15.0	14.0	13.0	11.0	11.0	10.0
Title I	4.25	3.50	1.50	2.0	2.0	1.5	1.5	1.0		
Media Specialist	10.00	8.00	8.00	7.0	7.0	6.0	5.0	5.0	5.0	5.0
<b>Total Instruction</b>	<b>461.18</b>	<b>363.03</b>	<b>412.84</b>	<b>385.44</b>	<b>344.33</b>	<b>312.0</b>	<b>280.1</b>	<b>247.1</b>	<b>224.7</b>	<b>207.5</b>
<b>Professional, Other:</b>										
Nurse	8.0	6.0	6.0	9.0	7.0	7.0	6.5	4.8	4.8	4.8
Other Professional	14.0	7.0	14.0	9.5	8.5	6.5	6.1	5.0	4.0	3.8
<b>Total Professional, Other</b>	<b>22.0</b>	<b>13.0</b>	<b>20.0</b>	<b>18.5</b>	<b>15.5</b>	<b>13.5</b>	<b>12.6</b>	<b>9.8</b>	<b>8.8</b>	<b>8.5</b>
<b>Support Personnel:</b>										
Office/Clerical	33.0	31.4	36.0	28.0	26.0	23.0	20.0	16.9	15.8	12.3
Crafts/Trades	4.0	4.0	4.0	4.0	4.0	2.0	1.0	1.0	1.0	1.0
Teacher Associates	119.0	123.0	105.1	96.500	84.601	63.3	61.7	56.9	42.2	42.8
Other Support Personnel	127.0	98.1	104.9	72.300	61.719	57.3	57.1	57.1	39.4	40.0
<b>Total Support Personnel</b>	<b>283.0</b>	<b>256.5</b>	<b>250.0</b>	<b>200.8</b>	<b>176.3</b>	<b>145.7</b>	<b>139.8</b>	<b>131.9</b>	<b>98.4</b>	<b>96.0</b>
<b>Totals</b>	<b>786.2</b>	<b>651.5</b>	<b>702.3</b>	<b>621.7</b>	<b>552.2</b>	<b>486.2</b>	<b>446.4</b>	<b>400.8</b>	<b>341.5</b>	<b>322.0</b>

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT

GENERAL ANALYSIS OF FACILITIES, CLASSROOMS AND STAFFING

June 30, 2011  
(Unaudited)

Name of School	Dates of Construction	Grades Served
Elementary Schools:		
Waukee	1917, 1957, 1974, 1979, 1987, 1999	PK-5 and Special Education
Brookview	2001, 2002, 2004	K-5 and Special Education
Eason	1994, 2002	K-5 and Special Education
Walnut Hills	2005	PK-5 and Special Education
Maple Grove	2007	PK-5 and Special Education
Waukee	2010	PK-5 and Special Education
Shuler	2010	PK-5 and Special Education
Waukee Middle School	1974, 1977, 1987, 1994, 1997, 1999, 2008	6-7 -8 and Special Education
South Middle School	2010	6-7 -8 and Special Education
Prairieview 9 Building	2004, 2009	9 and Special Education
Waukee High School	1997, 2000, 2001, 2006	10-12 and Special Education
		District Wide
Other facilities - non-student occupancy:		
YMCA	2000, 2001	
Waukee Elementary Annex	1932, 1995	
District Administration	2003, 2007	
District Central Receiving/Transportation Facility	2003	

Source: District records

Building Served	Enrollment Sept. 2010	Certified Staff	Pupil/Teacher Ratio	Number of Classrooms	Teaching Sections
-	-	-	-	-	-
612	40.8	15.00	32	27	
597	36.6	16.32	31	25	
494	37.0	13.35	37	21	
569	40.25	14.14	38	24	
717	44.8	15.99	38	28	
552	34.0	16.24	38	22	
3,541	233.5	15.17	214	147	
711	61.5	11.56	45	-	
749	61.5	12.18	57	-	
437	31.5	13.87	68	-	
938	64.930	14.45	70	-	
6,376	452.900	14.08	454	147	

WAUKEE COMMUNITY SCHOOL DISTRICT

DISTRICT AND AREA UNEMPLOYMENT RATES AND PER CAPITA INCOMES

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Des Moines Area	Dallas County			State of Iowa	Per Capita Income
		Median Household Income	Average Household Income	Per Capita Income		
2011	6.7%	\$ 67,146	80,232	32,031	6.0%	\$ 25,060
2010	6.8%	66,988	81,842	31,339	6.8%	25,222
2009	6.5%				6.6%	
2008	4.1%				4.6%	
2007	3.1%				3.4%	
2006	2.9%	59,435	74,925	29,144	3.6%	33,236
2005	4.0%				4.8%	
2004	4.1%				4.1%	
2003	3.6%				4.2%	
2002	3.4%				4.0%	

Source: Iowa Workforce Development, ESRI, US Bureau of the Census of Population and Housing,  
US Bureau of Economic Analysis.

WAUKEE COMMUNITY SCHOOL DISTRICT

SUMMARY OF HISTORICAL RETAIL SALES  
(In Millions)

Last Ten Years  
(Unaudited)

Year	Dallas County	Percent Increase	Waukee	Percent Increase	West Des Moines	Percent Increase	Des Moines	Percent Increase
2010	\$ 894.95	-6.1%	\$ 94.85	5.2%	\$ 602.13	-8.9%	\$ 3,107.94	-5.8%
2009	953.12	15.6%	90.13	-9.7%	660.75	22.5%	3,300.12	-4.9%
2008	824.68	10.4%	99.80	-3.0%	539.37	-59.9%	3,470.69	1.5%
2007	747.18	10.8%	102.89	-15.0%	1,345.69	-27.8%	3,418.12	-2.4%
2006	674.51	97.8%	121.06	16.2%	1,864.22	103.9%	3,502.63	0.3%
2005	340.93	6.6%	104.16	23.0%	914.20	2.6%	3,492.31	-16.7%
2004	319.88	12.2%	84.65	10.4%	891.45	2.3%	4,190.41	10.6%
2003	285.14	7.5%	76.68	8.1%	871.55	2.1%	3,789.65	-5.1%
2002	265.18	20.7%	70.94	41.5%	853.49	-0.6%	3,994.64	-2.7%
2001	219.78	21.7%	50.13	73.4%	858.59	5.3%	4,106.04	1.3%

Source: Iowa Department of Revenue and Finance

WAUKEE COMMUNITY SCHOOL DISTRICT

PRINCIPAL EMPLOYERS IN THE DISTRICT

Current year and 9 years ago  
(Unaudited)

Presented below is a list of employers located within the Waukee Community School District, the type of business conducted and an approximate number of employees for each.

District Employers	Product/Service	2011		2002	
		Employees	% of Total	Employees	% of Total
Wells Fargo Mortgage & Financial	Financial	4,985	45.9%	-	
Iowa Farm Bureau	Agriculture	1,160	10.7%	-	
Aviva USA	Insurance	1,100	10.1%	-	
Waukee Community Schools	Education	963	8.9%	340	
Iowa Foundation for Medical Care	Health Care	779	7.2%	-	
Hy-Vee	Food Supplier	759	7.0%	-	
Citi Card Services	Financial	600	5.5%	-	
Guide One	Insurance	523	4.8%	200	37.0%
Total		10,869		540	

Larger employers in the area	Product/Service	2011		2002	
		Employees	% of Total	Employees	% of Total
Wells Fargo & Co	Financial Services	11,700	24.1%		
State of Iowa	Government	8,800	18.1%	6,727	22.1%
Iowa Health System	Health Care	7,300	15.0%	-	-
Principal Financial Group	Insurance	6,728	13.8%	7,604	24.9%
United State Government	Government	6,000	12.3%	6,000	19.7%
Mercy Hospital Medical Center	Health Care	4,950	10.2%	4,545	14.9%
Des Moines Ind. School District	Education	4,872	10.0%	4,662	15.3%
Nationwide/Allied Insurance	Insurance	4,370	9.0%	-	0.0%
Hy-Vee Food Stores, Inc.	Retail Grocery and Drug	2,000	4.1%		
Pioneer Hybrid	Agricultural Sales	1,900	3.9%	950	3.1%
Marsh	Insurance	1,700	3.5%	-	-
Total		48,620		30,488	100.00%

Source: City Chambers of Commerce

WAUKEE COMMUNITY SCHOOL DISTRICT

DISTRICT POPULATION

June 30, 2011  
(Unaudited)

Census Year	Waukee	Clive	Urbandale	West Des Moines
2010	13,790	15,447	39,463	56,609
2004/2008/2005*	8,132	14,125	35,904	51,744
2000	5,126	12,855	29,072	46,403
1990	2,512	7,462	23,500	31,702
1980	2,227	6,064	17,869	21,894

Source: City Chambers of Commerce

\*special Census done in 2004-Waukee, 2008 Urbandale and 2005 West Des Moines

WAUKEE COMMUNITY SCHOOL DISTRICT  
 CERTIFIED RESIDENT STUDENT ENROLLMENT BY GRADE

Last Ten Fiscal Years  
 (Unaudited)

Grade	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
PK	29	30	30	24	29	26	22	26	24	14
K	672	625	577	595	555	549	522	433	445	321
1	628	603	584	568	577	544	459	467	350	346
2	598	601	547	584	549	480	486	368	377	296
3	603	542	581	570	507	499	390	403	319	262
4	562	581	549	513	510	413	423	347	276	241
5	581	559	516	522	427	446	362	297	260	233
6	560	524	504	431	449	376	310	292	244	256
7	512	517	423	451	367	319	316	260	265	199
8	506	419	432	378	321	324	265	274	224	220
9	413	438	362	316	317	273	296	234	244	189
10	440	355	297	308	283	319	252	263	198	190
11	363	304	285	304	313	262	268	198	202	182
12	292	282	272	321	254	268	219	206	198	163
District Served Enrollment	6759.0	6380.0	5959.0	5885.0	5458.0	5098.0	4590.0	4068.0	3626.0	3112.0
Open Enrollment/Tuition In	190.0	185.1	169.2	175.0	199.0	219	232	225	236	237.0
Open Enrollment/Tuition Out (includes Home & Alt. School Students)	365.7	311.6	308.1	257.4	229.3	196.6	170	187.1	172.8	148.7
Certified Resident Enrollment	<u>6,934.7</u>	6506.5	6097.9	5967.4	5488.3	5075.6	4528.0	4030.1	3562.8	3023.7

Source: District Records

WAUKEE COMMUNITY SCHOOL DISTRICT

OPERATING COST PER PUPIL

Last Ten Fiscal Years  
(Unaudited)

Year ended June 30,	Total Costs*	Daily Membership	Operating Cost per Pupil
2010	\$ 54,877,739	6,472	\$ 8,479
2009	51,246,632	6,021	8,511
2008	41,081,400	5,441	7,550
2007	34,311,684	5,065	6,774
2006	29,592,960	4,617	6,410
2005	25,161,933	4,058	6,201
2004	21,123,109	3,685	5,732
2003	18,337,958	3,138	5,844
2002	16,349,386	2,801	5,837
2001	14,279,896	2,461	5,802

\*Includes only General Fund expenditures.

Source: District records

WAUKEE COMMUNITY SCHOOL DISTRICT  
IOWA SCHOOL CASH ANTICIPATION PROGRAM (ISCAP)

Last Ten Fiscal Years  
(Unaudited)

<u>Year ended June 30,</u>	<u>Principal of Certificates Issued</u>
2011	\$ -
2010	-
2009	-
2008	-
2007	-
2006	-
2005	-
2004	-
2003	2,275,000
2002	2,049,000

Source: District records

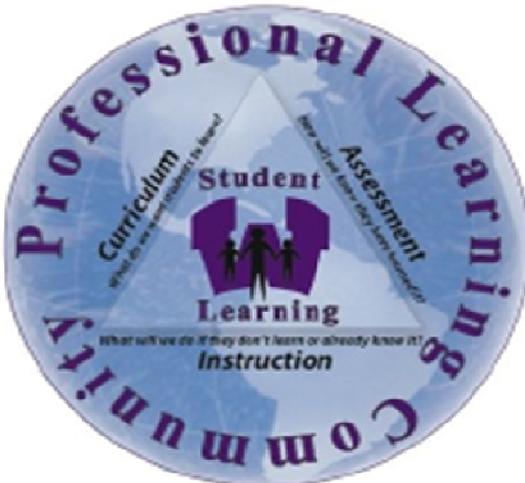
**Waukee Community School District**  
**Schedule of Expenditures of Federal Awards**  
**Year ended June 30, 2011**

Grantor/Program	CFDA Number	Grant Number	Expenditures
Indirect:			
U.S. Department of Agriculture:			
Iowa Department of Education:			
School Nutrition Cluster Programs:			
School Breakfast Program	10.553	FY 11	\$ 67,372
National School Lunch Program	10.555	FY 11	701,939 *
			769,311
U.S. Department of Education:			
Iowa Department of Education:			
Title I, Part A Cluster:			
Title I Grants to Local Educational Agencies	84.010	FY 11	170,151
ARRA - Title I Grants to Local Education Agencies - Recovery Act	84.389	FY 11	28,339
			198,490
Vocational Education - Basic Grants to States	84.048	FY 11	16,931
Title III - English Language Acquisition State Grants	84.365	FY 11	3,453
Improving Teacher Quality State Grants	84.367	FY 11	47,368
Grants for State Assessments	84.369	FY 11	42,237
ARRA - State Fiscal Stabilization Fund Cluster:			
ARRA - State Fiscal Stabilization Fund(SFSF) - Education State Grants, Recovery Act	84.394	FY 11	315,929
ARRA - State Fiscal Stabilization Fund(SFSF) - Government Services, Recovery Act	84.397	FY 11	281,793
			597,722
ARRA - Teacher Quality Partnerships, Recovery Act	84.405	FY 11	126
ARRA - Education Jobs Fund	84.410	FY 11	1,200,446
Heartland Area Education Agency			
Special Education - Grants to States	84.027	FY 11	322,782
Total			\$ 3,198,866

\* Includes \$188,209 of non-cash awards.

**Basis of Presentation** - The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Waukee Community School District and is presented on the accrual or modified accrual basis of accounting. The information on this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial

See accompanying independent auditor's report.





**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Board of Education of Waukee Community School District:

We have audited the accompanying financial statements of the governmental activities, the business type activities, each major fund and the aggregate remaining fund information of the Waukee Community School District, Waukee, Iowa, as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements listed in the table of contents and have issued our report thereon dated November 10, 2011. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Waukee Community School District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Waukee Community School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Waukee Community School District's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Waukee Community School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of non-compliance or other matters that are described in Part IV of the accompanying Schedule of Findings and Questioned Costs.

Comments involving statutory and other legal matters about the District's operations for the year ended June 30, 2011 are based exclusively on knowledge obtained from procedures performed during our audit of the financial statements of the District. Since our audit was based on tests and samples, not all transactions that might have had an impact on the comments were necessarily audited. The comments involving statutory and other legal matters are not intended to constitute legal interpretations of those statutes.

Waukee Community School District's responses to findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. While we have expressed our conclusions on the District's responses, we did not audit Waukee Community School District's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Waukee Community School District and other parties to whom Waukee Community School District may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of Waukee Community School District during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

*Van Maanen, Sietstra & Meyer, PC*

Van Maanen, Sietstra & Meyer, PC  
Certified Public Accountants

November 10, 2011



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**Van Maanen, Sietstra & Meyer, PC**

CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditor's Report on Compliance with Requirements  
That Could Have a Direct and Material Effect on Each Major  
Program and on Internal Control over Compliance in Accordance  
with OMB Circular A-133**

To the Board of Education of Waukee Community School District:

**Compliance**

We have audited Waukee Community School District's compliance with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of Waukee Community School District's major federal programs for the year ended June 30, 2011. Waukee Community School District's major federal programs are identified in Part I of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grant agreements applicable to each of its major federal programs is the responsibility of Waukee Community School District's management. Our responsibility is to express an opinion on Waukee Community School District's compliance based on our audit.

We conducted our audit of compliance in accordance with U.S. generally accepted auditing standards, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Waukee Community School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Waukee Community School District's compliance with those requirements.

In our opinion, Waukee Community School District complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

**Internal Control Over Compliance**

The management of Waukee Community School District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grant agreements applicable to federal programs. In planning and performing our audit, we considered Waukee Community School District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Waukee Community School District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance all deficiencies, significant deficiencies or material weaknesses have been identified.

A deficiency in the District's internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis.

Waukee Community School District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. While we expressed our conclusions on the District's responses, we did not audit Waukee Community School District's responses and, accordingly, we express no opinion on them.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of Waukee Community School District and other parties to whom Waukee Community School District may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

*Van Maanen, Sietstra & Meyer, PC*

Van Maanen, Sietstra & Meyer, PC  
Certified Public Accountants

November 10, 2011

**Part I: Summary of the Independent Auditor's Results**

- (a) Unqualified opinions were issued on the financial statements.
- (b) No materials weaknesses in internal control over financial reporting were disclosed by the audit of the financial statements.
- (c) The audit did not disclose any non-compliance which is material to the financial statements.
- (d) No material weaknesses in internal control over the major programs were disclosed by the audit of the financial statements.
- (e) An unqualified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit disclosed no audit findings which were required to be reported in accordance with Office of Management and Budget Circular A-133, Section .510(a).
- (g) Major programs were as follows:
  - CFDA Number 84.027 – Special Education, Grants to States
  - CFDA Number 84.410 – ARRA – Education Jobs Fund
  - Clustered programs:
    - CFDA Number 10.553 - School Breakfast Program
    - CFDA Number 10.555 - National School Lunch Program
  - Clustered programs:
    - CFDA Number 84.394 – ARRA – State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act
    - CFDA Number 84.397 – ARRA – State Fiscal Stabilization Fund (SFSF) – Government Services, Recovery Act
- (h) The dollar threshold used to distinguish between Type A and Type B programs was \$300,000.
- (i) Waukee Community School District did not qualify as a low-risk auditee.

**Part II: Findings Related to the Financial Statements**

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**INTERNAL CONTROL DEFICIENCIES:**

No matters were noted.

**Part III: Findings and Questioned Costs for Federal Awards**

**INSTANCES OF NON-COMPLIANCE:**

No matters were noted.

**INTERNAL CONTROL DEFICIENCIES:**

No matters were noted.

**Waukee Community School District  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2011**

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**Part IV: Other Findings Related to Required Statutory Reporting:**

- IV-A-11      Certified Budget - Expenditures for the year ended June 30, 2011, exceeded the amended certified budget amounts in the non-instruction function.
- Recommendation – The certified budget should have been amended in accordance with Chapter 24.9 of the Code of Iowa before expenditures were allowed to exceed the budget.
- Response – Future budgets will be amended in sufficient amounts to ensure the certified budget is not exceeded.
- Conclusion – Response accepted.
- IV-B-11      Questionable Expenditures - No expenditures were noted that may not meet the requirements of public purpose as defined in an Attorney General's opinion dated April 25, 1979.
- IV-C-11      Travel Expense - No expenditures of District money for travel expenses of spouses of District officials or employees were noted. No travel advances to District officials or employees were noted.
- IV-D-11      Business Transactions - No business transactions between the District and District officials or employees were noted.
- IV-E-11      Bond Coverage - Surety bond coverage of District officials and employees is in accordance with statutory provisions. The amount of coverage should be reviewed annually to ensure that coverage is adequate for current operations.
- IV-F-11      Board Minutes - No transactions were noted requiring Board approval which had not been approved by the Board.
- IV-G-11      Certified Enrollment – A variance in the basic enrollment data certified to the Department of Education was noted.
- Recommendation – The certified enrollment data should be corrected for students who exit the District.
- Response – We will correct the certified enrollment in the future for students exiting the system.
- Conclusion – Response accepted.
- IV-H-11      Supplementary Weighting – No variances regarding the supplementary weighting certified to the Iowa Department of Education were noted.
- IV-I-11      Deposits and Investments - No instances of noncompliance were noted with the deposit and investment provisions of Chapter 12B and 12C of the Code of Iowa and the District's investment policy.
- IV-J-11      Certified Annual Report - The Certified Annual Report was filed with the Department of Education on September 23, 2011.
- Recommendation – The certified annual report should be filed by September 15.
- Response – We realized the deadline is September 15 but had software issues that caused a delay in filing. We believe this issue will be resolved before next year.
- Conclusion – Response accepted.
- IV-K-11      Categorical Funding – No instances were noted of categorical funding used to supplant rather than supplement other funds.

**Waukee Community School District  
 Schedule of Findings and Questioned Costs  
 Year ended June 30, 2011**

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IV-L-11      Statewide Sales, Services and Use Tax – No instances of non-compliance with the use of the statewide sales, services and use tax revenue provisions of Chapter 423F.3 of the Code of Iowa were noted.

Pursuant to Chapter 423F.5 of the Code of Iowa, the annual audit is required to include certain reporting elements related to the statewide sales, services and use tax revenue. Districts are required to include these reporting elements in the Certified Annual Report (CAR) submitted to the Iowa Department of Education. For the year ended June 30, 2011, the District reported the following information regarding the statewide sales, services and use tax revenue in the District's CAR:

Beginning balance		\$ 5,971,358
Revenues/transfers in:		
Sales tax revenues	\$ 5,585,731	
Other local revenues	7,804	
Transfers from other funds	509,452	6,102,987
		<u>12,074,345</u>
Expenditures/transfers out:		
School infrastructure construction	267,828	
Other	1,374	
Transfers to other funds:		
Debt service funds	4,737,883	5,007,085
		<u>5,007,085</u>
Ending balance		<u><u>\$ 7,067,260</u></u>

For the year ended June 30, 2011, the District reduced the following levies as a result of the moneys received under Chapter 423E or 423F of the Code of Iowa:

	<u>Rate of Levy</u>	
	<u>Reduction Per</u>	
	<u>\$1,000 of</u>	
	<u>Taxable</u>	<u>Property Tax</u>
	<u>Valuation</u>	<u>Dollars Reduced</u>
Debt service levy	\$ 2.27900	4,737,883